DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 1 Section 1 January 3, 1928.

LABOR PREDICTION Officials of the United States Employment Service are optimistic in their views regarding the employment situation throughout the United States for 1928, according to their annual forecast made public Jan. 1. They predict great prosperity and satisfactory employment conditions generally. The report says: "The agricultural situation throughout the country generally is expected to boom in 1928, and labor leaders expect thousands of persons will be provided with employment as a result of greater crops...."

AMERICAN INCOMES The press of Jan. 2 reports: "While the number of individuals filing income tax returns in 1926 showed an increase over 1925, and while the amount of net income showed an increase, the tax levied was less, according to a preliminary report on the statistics of incomes made public Jan. 1 by the Commissioner of Internal Revenue. The report shows that in 1926 returns were made by 4,075,542 individuals, which returns showed a net income of $21,565,176,326, upon which taxes of $727,479,426 were levied. The number of individuals filing increased 121,566, or 3.07 per cent over 1925. The total net income showed an increase of $375,326,308, or 1.77 per cent. The tax, however, showed a decrease of $3,897,765, or 0.53 per cent. The average taxpaying individual showed an income of $5,291, the average amount of tax $178.50, and the average tax rate 3.37 per cent...."

THE FINANCIAL MARKET The New York Times to-day says: "The last days of 1927 were marked on the one hand by continued strength in the stock market; on the other, by weekly railway traffic statements and monthly railway earnings which made the most unfavorable comparison of many years with the recent past. The year ended with easy money, yet with an increase in New York loans on Stock Exchange securities which brought the outstanding total $930,000,000 above the final figure of the preceding year....Perhaps the most impressive aspect of the financial situation as the new year begins is the indomitable hopefulness of the financial community itself...."

STOCK EXCHANGE PRICES A New Haven dispatch to the press to-day reports that the weekly index number of Stock Exchange prices compiled by Professor Irving Fisher and based on the week's fifty most active industrial stocks, reckoned on their average of January, 1925, as 100, is 346. This compares with 337 the week before, 324.8 two weeks before, 314.8 three weeks before, and 308.5 four weeks before. A year ago it was 173.6. The report says: "This average for the last week of 1927 is the highest of the year, and is also higher than any figure reached in 1926 or 1925. The lowest average in 1927 was 168.1, in the last week of January. The highest average in 1926 was 178.9, on Oct. 2; the lowest, 121.1, on April 17."

Section 2

Beef Boycott In an editorial on the eastern boycott of beef, Chicago Journal of Commerce for Dec. 30 says: "The New York Times comments in an editorial on the circulars sent out by western packers informing eastern consumers that the higher prices for meat are the inevitable result of a smaller cattle supply, which in turn is the result of a long period of depression which caused cattlemen to quit the business or to allow their herds to deteriorate. The Times admits frankly that 'there has been in several eastern cities, notably here in New York, a movement to refuse to buy meat until the prices are lower.'...'There has been nothing like a formal boycott; simply a quiet agreement to make use of other forms of food until meat becomes cheaper,' says the Times....What is the difference between 'a formal boycott' and 'a quiet agreement'?... Beef prices are high only in comparison with the low prices of recent years. They are not high as compared with the prices of articles manufactured in the East, or with the wages of eastern labor. The boycott on beef is a boycott against the West. The prosperity of nearly every city of any importance in all the territory from eastern Ohio to beyond the Rocky Mountains has a direct connection with the prosperity of the farms of their regions. As an example, the beef boycott hurts the packing industry of Chicago, Kansas City, Omaha, and other western communities; and such an injury in turn is bound to reflect itself in other business...."

British Farm Problems An editorial entitled "The Farm in Adversity" in Country Life (London) for Dec. 17 says: "Under the above title the Times has recently been discussing the factors which have contributed to the present agricultural depression It is generally acknowledged that the position is disheartening, though it must not be assumed that it is beyond the pale of remedy. It is necessary, too, to reiterate that this is not the only depression which agriculturists have had to face within the past fifty or sixty years; while at the moment other countries are experiencing similar economic disturbances....No one can rest satisfied with the present state of agriculture. The Safeguarding of Industries Act has for long tempted agriculturists to think that this would prove a means of salvation. This is the line of least effort, but even if such a scheme were sanctioned for agriculture in general, it would not permanently solve the evils which are most pronounced to-day. The outstanding problem to-day is the fairer distribution of profits between producers and middlemen. While farmers, as producers, are finding it extremely difficult to make a living, the wholesalers and retailers still flourish. This immediately implies the necessity for a thorough reorganization of the methods of selling and marketing, and provides a distinct field for the trial of cooperative and collective negotiation and marketing. It is here that the doctrine of self-help can come to the rescue. Difficulties will, unloubtedly, be encountered, but agriculture can never be regarded as stable in this country until the time arrives when farmers can take effective control of their produce, so that their supplies are of a quality which will defy all foreign competition, and marketed with a regularity which is equal to the demand, avoiding the evils of 'flooding' at certain seasons. To accomplish a transformation of this order will demand a changed outlook on the part of the farmer, and it is essential to encourage the cooperative ideal among the rising generation...."

Illinois Association and Income Tax

All aspects of the tax situation in Illinois, including a proposed income tax, will be discussed at the annual convention of the Illinois Agricultural Association at Rock Island, January 19 and 20, President Earl C. Smith announced Dec. 21. Four sectional meetings--those of the public relations, marketing, organization and information, and business service, will be held on the afternoon of January 19, the taxation matters coming before that on public relations. (Press, Dec. 22.)

Meat Production

Meat production and consumption in the United States for the year just closing was about the same as during 1926, according to an annual review of the livestock and meat situation issued Dec. 30 by the Institute of American Meat Packers through its president, Oscar G. Mayer, of Chicago. Owing to a decrease in exports of meat products, it is probable that consumption in the United States increased slightly, the statement adds. "There was a decrease in the production of beef, veal, and lamb during the year," Mr. Mayer continued, adding that "these decreases were more than offset by the increase in the production of pork." "The value of meat exports during the year decreased more than fifty million dollars, as compared with 1926," the president of the packers' institute asserted. "However, notwithstanding this sharp decrease, exports of meat products for the entire year exceeded $150,000,000 in value," he added.

Montana Agricultural Survey

"The people of Fergus County, Montana, decided that a $33,000,000 business was worth some study with a view to increasing its returns. So they took an inventory of their agriculture last year. Studies of each important farm commodity were made by experienced committees, the twenty-one community clubs of the county joining in and making it their major project. They set out to learn what crops, varieties and farming practices were the most profitable and best adapted. And at the same time they gathered ideas as to the improvements and conveniences needed to make farm life more satisfying. After several months of such inquiry it was possible to hold a county conference and draw up an intelligent program for the agricultural development of the county....The results were so satisfactory that the study is being repeated this winter to add the benefit of the past year's developments. The committees handling the work include nearly two hundred of the leading farmers and farm women of the county. There is no reason why this idea should be confined to the Montana County that was smart enough to think of it." (Country Gentleman, January.)

New York Grain Exchange

An editorial in Commercial West for Dec. 21 says: "In the announcement that the New York Produce Exchange, after a trial of a year and a half, had abandoned an effort to build up a market for trading in grain futures, appears strong proof that the value of a hedging market lies in a breadth of trade which can bring the buyer and seller in instant touch. The New York experiment in grain futures trading was designed to facilitate hedging operations in the export and eastern distributing trade in wheat. The exchange had able management and a strong effort was made to broaden the trade sufficiently to meet this end. It was found that the process of developing liquidity in a grain market was no easy matter. New York's decision to discontinue trading in grain futures is a bow of respect to the established grain exchanges of the West...."

Waterway Development

Gregory Mason writes under the title "Moving the Corn Belt to the Sea," in World's Work for January. In his 11-page article Mr. Mason tells what he believes the St.Lawrence shipway will do for the West. "Two manufacturers were comparing notes," he says. "One man was from central Ohio, the other was from western Wisconsin. The former was explaining that goods from his Ohio factory destined for California or Oregon were shipped to the Pacific Coast by way of Philadelphia or Baltimore. 'That's nothing,' said the Wisconsin man. 'I'm a lot nearer the Pacific Coast than you are. But the other day when I wanted to make a car lot shipment to Portland, Oregon, I found that the cheapest way to do it was not by railroad direct but by rail to Baltimore and then to Portland by ship through the Panama Canal.' This anecdote illustrates the unhappy truth that the building of the Panama Canal has tended to isolate the rich heart of the United States--that is, in transportation costs the Pacific and Atlantic Coasts are closer to each other than either is to the unfortunate interior...." Mr. Mason's chief argument for the project, and the one that should carry most weight, he believes, is that to move the Atlantic to Minnesota will be to give new life and an opportunity for normal growth to a rich and important part of the United States that at present is being stifled. Relief to the farmers of the Middle West is the most important single item in the list of the many benefits that the building of this waterway can confidently be expected to bring our country, he says. Agriculture is still the foundation of our national existence. What helps the farmers helps the whole Nation.

Section 3

Department of Agriculture

The Department of Agriculture held a prominent place among reports of addresses at the Dec. 30 meeting of the American Association for the Advancement of Science at Nashville, Tenn. Among those quoted is that of Dr. L.H.Flint, Bureau of Plant Industry, who stated he believes farmers of this country could profitably adopt one practice of the Hawaiian pineapple growers. Pineapples are grown on a paper-soil covering or mulch. It costs $500,000 a year to paper pineapple farms, but the investment pays for itself many times over. Doctor Flint described some experiments which have been conducted for the last three years at Arlington Experiment Farm with field corn, tomatoes and sweet potatoes. Enough evidence has been accumulated to prove that some day our farmers will regard paper as essential as fertilizer in growing bigger crops. It has often been noted that as a general or cyclonic storm rushes northeastward across the eastern United States and Canada it often increases rapidly in violence. Dr. W.J.Humphreys of the United States Weather Bureau explained why this should be so. A swirl between cold air from the North on the northwestern side and warm humid air on the southwestern side constitutes the storm. As the storm moves northeastward the difference in temperature between its warm and cold sides increases and there are no high mountains to block progress. Hence the storm increases in severity as it travels on toward Canada. Maurice C. Hall of the United States Bureau of Animal Industry drew an alarming picture of the ravages caused by parasites among domesticated animals which are used as food. The horse alone plays the host to about 250 such parasites. The annual loss of sheep in the United States is about 20 per cent and of this loss fully one half must be charged to parasites. Our sheep are valued at $427,000,000, so that parasites rob us annually of over $40,000,000 in lamb and mutton. The mortality among swine is just as startling, although something has been done to correct

it with the aid of the Ransom sanitation system. Parasitic diseases are increasing, said Doctor Hall. (Press, Dec. 31.)

Section 4
MARKET QUOTATIONS

Farm Products Dec. 31: The hog market was generally strong to 10¢ higher, top for the day being $8.85. Better grades of all weights 160 lb. up bulked at $8.60 to $8.80, with a few 130 to 150 lb. averages at $8 to $8.45. A limited supply of pigs sold at $7.50 to $7.85. Most packing sows were $7.35 to $7.65.

Maine sacked Green Mountain potatoes firm, ranging $1.90-$2.15 per 100 pounds in eastern cities; bulk stock $1.40-$1.45 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.50-$1.65 carlot sales in Chicago; $1.25-$1.40 f.o.b. Waupaca. Onions tending higher. New York and midwestern yellow varieties ranged $1.75-$2.50 sacked per 100 pounds in consuming centers; $2.10-$2.15 f.o.b. Rochester. Cabbage markets about steady. New York Danish type $12-$16 bulk per ton in terminal markets; $7-$7.50 f.o.b. Rochester. Apple markets dull. Eastern Yorks $1.50-$1.75 per bushel basket.

New York butter market showed some early buying and ruled steady. General trading was quiet. Most dealers were free sellers. Medium and undergrades about steady with trade quiet; 92 score at 52¢.

New York cheese market was quiet and firm at unchanged prices. Buyers showed little interest, but dealers were holding close to listed prices. Prices of No.1 American cheese were: Fresh Single Daisies 28¾¢; Held Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

January future contracts of cotton on the New York Cotton Exchange declined 3 points, closing at 19.58¢, and on the New Orleans Cotton Exchange they were unchanged at 19.67¢. On the Chicago Board of Trade January futures closed at 19.72¢ against 19.68¢ yesterday. The average price of Middling spot cotton in 10 designated markets declined 2 points to 19.49¢ per lb.

The grain market was steady at the close of the year with prices of rye and feed grains materially higher than a year ago. Wheat prices on an average were 12-13¢ lower, although prices of soft red winter wheat were relatively higher than other kinds and were practically the same as at the close of 1926. Hard winter wheat in the principal markets was selling at the close of the year 6-7¢ lower than last season while hard red spring wheat was 11-12¢ lower and durum wheat around 45¢ lower than a year ago. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 2 Section 1 January 4, 1928.

THE PRESIDENT ON BUSINESS OUTLOOK The press to-day reports: "President Coolidge believes the United States is entering upon a new era of improved machinery and that a fairly prosperous year is ahead. This view of the business and industrial situation was made known by him yesterday following a Cabinet meeting at which economic conditions were discussed. It was indicated to the President that there was a trend toward improved conditions in nearly all lines of industrial activity and that all Cabinet members in close touch with trade and commerce were hopeful of a prosperous year."

FLOOD PROGRAM The press to-day reports that President Coolidge indicated yesterday that Army engineers are working on a plan to see whether there can be a reduction in the amount of money communities in the Mississippi flood area would be asked under the administration program to raise for the construction of levees and the purchase of land necessary to increase the width of the levees and spillways. It was said that there might be a change made to reduce the amount below the 20 per cent which the Army engineers originally recommended should be raised by the communities. There has been great pressure from the flood districts for modification of the administration program or adoption of a plan under which the Government would bear the entire cost.

PACKER CONSENT DECREE The press to-day reports that the famous packers' consent decree divorcing them from business not related to the meat packing industry was before the Supreme Court yesterday for the second time. Charles Evans Hughes appeared again for the Swift and Armour groups, which seek to have the decree set aside. Attacking the decree as invalid Hughes asserted the packers had been guilty of no violation of any antitrust law and that the courts had no jurisdiction to enter such a decree until it had been found that there was an actual violation of the law. William J. Donovan, assistant to the attorney general in charge of antitrust suits, maintained there was sufficient ground for the decree in the Government's suit against the packing firms and their subsidiaries and officers alleging violations of the antitrust law. He stressed the fact that the antitrust prosecution was suspended only when the packers agreed to have the decree entered. Counsel for the American and for the National Wholesale Grocers' Associations were given permission to be heard in arguments to-day in support of the Government's insistence that the decree be sustained.

NEW YORK WOOL MARKET The secretary of the New York Cotton Exchange has informed members who petitioned in March, 1927, for the appointment of a committee to report on the feasibility of establishing a future market for trading in wool, that sufficient interest to warrant the establishment of such a market at New York was lacking, in the committee's opinion.

Section 2

Business Conditions

A statement issued Jan. 6 by the National City Bank of New York says: "The year closes with evidence of considerable slack in the industrial situation....Looking at the entire year in retrospect it is evident that production and trade have been large despite the recen decreases in some lines. The automobile and steel industries are the outstanding individual exceptions. Textiles, boot and shoe production, leather tanning, and automobile tire manufacturing have shown a volume larger than last year, while industries like baking and manufacture of food and tobacco products have continued to forge ahead. Practically all products have to be moved by rail, so that total car loadings are a good measure of the total of all goods entering into trade. Since the first of the year these have amounted to 50,077,882 cars, as against 51,393,662 in the corresponding period a year ago, a decrease of only 2.5 per cent."

Chicago's Flower and Seed Trade

Retail sales of flowers, plants and seeds in Chicago in 1926 totaled $9,343,400, according to a census of retail distribution in that city just completed by the United States Census Bureau. A total of 632 establishments handled these products, 443 of these being florist shops whose sales represented $9,098,100 of the total. The 443 florists of the city gave employment to 489 firm members and proprietors and 1,007 employees, the total salaries and wages for the year being $1,263,600. The merchandise inventory of these stores Dec. 31, 1926, was $446,400, and for the year averaged $506,700. The survey of retail florists showed 11 establishments which did a business in excess of $100,000 for the year, while 23 reported sales between $50,000 and $100,000; 45 between $25,000 and $50,000; 124 between $10,000 and $25,000; 81 between $5,000 and $10,000, and 133 less than $5,000. Flowers, plants and seeds were distributed in the Chicago district by 59 wholesale establishments whose sales for the year totaled $15,687,500. Of this number, 56 were wholesale florists with sales amounting to $16,241,200. These 56 establishments gave employment to 50 firm members and proprietors and 1,360 employees, salaries and wages for the year being $2,043,400. Their merchandise inventory Dec. 31 was $1,602,500, and for the year averaged $1,961,-300. (Florists Exchange, Dec. 10.)

Citrus Fruit Export

Florida Times-Union for Dec. 31 says: "Proper ceremonies, although more or less informal, attended the loading of the steamer Daytonian with Florida grapefruit and oranges for shipment to London, the vessel with its precious cargo leaving here on Thursday. This was a Florida event of real importance, not only to the growers of citrus fruit in the State but to all the people of Florida, for if this initial shipment of oranges and grapefruit, on foreign consignment, indicates anything, it is that thereby a great Florida asset is to be made greater through the finding and supplying of a large foreign market for Florida products....This first direct-to-London shipment of Florida grapefruit and oranges was made up of approximately 6,100 crates, the fruit having been properly pre-cooled, thanks to the facilities provided by the Armour refrigerating plant in Jacksonville, and is expected to be delivered in London in first-class condition, being carried overseas under refrigeration. While this enterprise is in the nature of an experiment there is little if any doubt of its entire success, which means the opening of a foreign outlet for Florida-grown citrus fruit."

Cotton Production

An editorial in Farm and Ranch for Dec. 24 says: "The production of cotton on a large acreage by the use of tractors and large machinery units was the subject under discussion before the Dallas Agricultural Club recently. It is also the subject of a bulletin recently issued by the division of farm economics, Texas Experiment Station. The discussion before the Agricultural Club was led by Dr. L.P.Gabbard, who, with Prof. F. R. Jones, prepared the bulletin referred to. While those who are making a study of large scale production have not put their conclusions in terms of cost per pound, it is generally conceded that on lands adapted to large enterprises where a tractor, a four-row planter, and two men can plant thirty-five to forty acres per day as against a horse-drawn two-row outfit and one man which covers fourteen acres per day, the same difference existing in plowing, harrowing, and cultivating, that the large scale production is accomplished at a much lower cost per acre or per pound....It begins to appear that the cotton industry is rapidly shifting into a new era of the country where revolutionary means of production are found profitable. If this is true, producers of cotton in the older sections of the Southwest, and particularly those who have made it a major crop, will be forced either to lower their standard of living or to revise their cropping system. Farmers in the older sections may undoubtedly make cotton a profitable crop by practicing a rotation system and increasing acre production of quality fiber, but balanced farming rather than speculative farming must be the aim hereafter. East and central Texas, along with eastern Oklahoma, Arkansas, and Louisiana, can only continue in the production of cotton on a profitable basis by providing the market with a superior product. In the West and coastal regions where production on a large scale is practicable, the area handled by one man will be given greater consideration than acre yield. In the older sections lowering the cost of production must be brought about by increasing acre yields...."

Eating Habits

One of the results of our increased wealth in this country is more eating in restaurants and less eating in the home. In consequence, the Cambridge Associates remind us in their News Service, a great revolution in our eating habits has come about in the last twenty-five years. Whereas there was a time when comparatively few meals were served outside of the home, to-day, according to figures credited to the Management Magazines, Inc., "over 75,000,000 meals a day are served in restaurants, cafeterias, industrial lunch-rooms, hotels, schools, clubs, and other places." If we, as a people, eat 345,000,000 meals a day, 21 per cent of this total are "eaten out." Such figures as these reveal a changed habit on the part of the public, which may be partly accounted for by the servant problem, but which is attributed mainly to the result of increased per capita wealth and the consequent desire for more leisure, luxury, and travel. The automobile, affording to the average family opportunity for travel formerly not available, has added greatly to hotel and restaurant business. All this change has brought about tremendous shifts in methods of marketing by food manufacturers.

Flood Control

An editorial in Chicago Journal of Commerce for Dec. 27 says: "A few months ago the waters of the Mississippi and its tributaries were raging with such deadly effect that it was agreed on all sides that flood control by the Federal Government was necessary. But now

the needs of the sufferers in the flooded areas are being minimized in the East, on the ground that Federal aid is not being sought for the New England regions that recently suffered from a flood. The contrast between the two cases should be so clear as to need no pointing out. The New England flood was a singular event. Something extraordinary had happened. Nothing like it may happen again for two or three generations. The Mississippi flood was an annual disaster. This one was mightier than the others; that was the difference. The Mississippi flood has come regularly, and it will come again...."

Meat Situation A review of the livestock and meat situation during the month just closed, issued by the Institute of American Meat Packers, says: "The cattle market during December reached the highest levels on record, except for the war period. At the same time, the wholesale prices of most pork products reached the lowest levels which they had attained since 1923 and 1924....The foreign demand for American product was relatively light during December.

Orange Co-operation Better Fruit for December says: "According to the annual report of C.P.Earley, general manager of the Mutual Orange Distributors, with an output of approximately 3,500,000 boxes of citrus products, the organization has just completed the most successful marketing season in its history. Excluding lemons, this tonnage represents 11.1 per cent of the total 1926-27 California citrus crop, which amounted to a record shipment of 57,163 carloads of oranges and 13,437 carloads of lemons. Recognized as one of the leaders in the citrus industry of California and Arizona, the Mutual Orange Distributors has been steadily increasing its membership and car-output since its organization in 1903."

Section 3

Department of Agriculture

1 An editorial in Modern Miller for Dec. 24 says: "The Federal Government should lend a hand in the work of eradicating wild onions from the wheat fields of the United States. A practical means has been discovered of destroying the wild onion, and ridding the fields of this pest. The work has been started in some soft wheat sections with every prospect of success, but it requires sustained work and vigilance and the cost falls upon farmers and millers, and it is a battle in which Government assistance should be secured....An appropriation to aid in the work of checking the serious nuisance of the wild onion is something which should be presented to Congress and urged by the millers of the soft wheat sections who have struggled with this for years and are now in a fair way to accomplish good and definite results...."

2 Dairy Produce (Chicago) for Dec. 27 says: "A change in the law creating the Bureau of Animal Industry, United States Department of Agriculture, so that the meat inspection service can be extended to include poultry, and to secure more facilities in the Agricultural Department for the study of poultry diseases, are matters of the greatest importance to poultrymen and the whole poultry industry. These projects have been the subject of the greatest concern in recent deliberations of the trade's organizations, and it will be gratifying to those interested to learn that prospects are good for realization on both of these projects...."

Section 4
MARKET QUOTATIONS

Farm Products Jan. 4: Livestock quotations at Chicago: Steers, good and choice, $14.50-$16.50. Heifers, good and choice, $11.50-$14. Vealers, good and choice, $13.25-$16. Feeder and stocker cattle steers, $9.75-$12. Heavy weight hogs $8.50-$9. Slaughter pigs $7.65-$8.65. Lambs, good and choice, $12.50-$13.65.

Maine sacked Green Mountain potatoes sold at $1.90-$2.35 per 100 pounds in eastern cities; $1.55-$1.65 f.o.b. Presque Isle. New York and midwestern sacked yellow onions brought $2.25-$2.75 per 100 pounds in consuming centers. New York Danish type cabbage sold at $13-$16 bulk per ton in a few markets. Florida pointed type $1.50-$2 per 1½-bushel hamper in the East. Baldwin apples from New York State sold at $6.25-$7 per barrel in New York City.

The average price of Middling spot cotton in 10 designated markets declined 53 points to 18.93¢ per lb. On the same day one year ago the price stood at 12.33¢. January future contracts on the New York Cotton Exchange declined 54 points to 19.04¢ and on the New Orleans Cotton Exchange they declined 64 points to 19.03¢. On the Chicago Board of Trade January futures were down 59 points, closing at 19.13¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.45-$1.61¾; No.2 hard winter at Kansas City $1.44-$1.50 and No.2 red winter $1.42-$1.44½. No.2 hard winter at Chicago $1.31. No.2 red winter $1.33 per bushel. No.3 mixed corn at Chicago 84⅝¢; No.3 yellow 84¢ per bushel. No.3 yellow corn at Kansas City 76¢-79½¢; No.3 white and mixed corn 73¢-77¢. No.3 yellow corn at Minneapolis 80-85¢; No.3 mixed 75-77¢. No.3 white oats at Chicago 52¾-53¼¢; Kansas City 52½-56¢; Minneapolis 50½¢-55¢.

Closing price of 92 score butter at New York was 52¢.

Closing prices of No.1 fresh American cheese at New York were: Held Cheese Prices: Flats 29 to 29½¢; Single Daisies 29¢; Young Americas 29-29½¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 3 Section 1 January 5, 1928.

NATIONAL DEBT REDUCED — The Associated Press to-day reports that the public debt was reduced $1,038,312,686 during the last year, representing a reduction of $8,560,349,197 since 1919, when it reached its peak of $26,596,701,648. The Treasury estimated yesterday that the reduction during 1927 would represent a saving in interest in future years of approximately $40,000,000 annually and leave the present gross debt at $18,036,352,451. The largest outstanding obligations are the remaining Liberty issues, $6,296,901,900 being in Fourth Libertys callable in 1933, $2,147,653,150 in Third Libertys redeemable next year, and $1,932,156,850 in First Libertys callable in 1932.

AIRWAYS BILL — Funds for the construction of 4,085 miles of airways throughout the country were provided yesterday in the annual appropriation bill for the State, Justice, Commerce and Labor Departments, which was reported to the House by its appropriations committee. The bill's total of $89,302,000 represents an increase of $1,521,000 over last year's measure, but a decrease of $169,900 under the Budget Bureau estimates. (Press, Jan. 5.)

LINDBERGH ON AIR LINE — Establishment of regular air line passenger service in the United States, beginning next summer, was predicted by Colonel Charles A. Lindbergh at a hearing before the House appropriations committee on Dec. 10. publication of his testimony yesterday revealed. This would develop, he predicted, with decrease in the cost of equipment and increasing carrying capacity of the planes. "What is your vision as to the service that commercial airways will render the country in the coming years, both as to the transportation of passenger and mail, and the carrying of small packages," Colonel Lindbergh was asked. "I do not think that our aircraft of to-day are nearly as efficient as they will be a few years from now," he replied. "I believe, also, that we will be able to fly and land in practically every kind of weather condition when radio instruments, radio beacons and other means of combatting weather conditions have been fully developed." (Press, Jan. 5.)

MARKET SITE BILL — Representative Sumner of New York yesterday introduced a bill in the House authorizing an appropriation of $300,000 for two squares in Southwest Washington as a site for a farmers produce market. The squares are 354 and 355. Under the terms of the bill, F Street, between Tenth and Eleventh, would be closed. (Press, Jan. 5.)

WOOL TRADE — The Commercial Bulletin (Boston) for Dec. 31 says: "While this week has been quieter than last in the wool trade, there has been a better demand than usual for wool at the end of the year and December has witnessed a considerable turnover in the staple. Prices are very firm and occasionally dearer for the week, in some cases a cent a pound higher. The foreign markets are generally experiencing holiday quiet. Prices are firm abroad, however...."

Section 3

Art in Kansas Farm Homes — Miss Leila Mechlin, secretary of the American Federation of Arts, in a talk at Washington January 3 on the influence of the federation's circulating art exhibitions, stated that rural Kansas has evidently benefited by these exhibitons more than any other section of the country. The result is that some of the finest etchings in this country are to be found to-day on the walls of Kansas farm homes. "You will find among them examples of the work of Rembrandt, Haden, Meryon, Whistler, and many of the modern etchers," Miss Mechlin said, "and one of the most interesting features of it all is that most of these works were purchased with the products of the farm. The egg money has hung many a fine etching on Kansas farmhouse walls."

British Agricultural Relief — An editorial in Country Life (London) for Dec. 17 says:"...It has been suggested that some measure of relief is necessary in these cases. The nature of this relief immediately leads one into the field of political and agricultural controversy. Of the palliatives which have received support three or four, undoubtedly, merit attention. In the arable districts a duty on malting barley has been strongly urged. There seems to be no good reason for refusing this, for the difficulties which have from time to time been advanced against the proposal have been met and overcome in other cases of dutiable goods. The dairying industry is faced with a growing and considerable competition in the form of tinned skim and whole milk imports. Farmers rightly urge that recent legislation which defines the conditions under which milk production may be followed in this country should carry with it protection from milk dumping from other countries outside the control of this legislation. Wheat growers and the users of wheat offals have a strong case for prohibiting the import of flour, restricting imports to the whole grain to be entirely milled in this country. The proposal that agricultural land should be freed from the burdens of rates would be popular with owner occupiers, but it is open to criticism so far as tenant farmers are concerned...."

Butter Scoring Contests — An editorial in The Dairy Record for Dec. 28 says: "The claim is frequently advanced that scoring contests have outlived their usefulness, and that exhibitors gain little by participating in them. We do not agree entirely with this attitude, but we are of the opinion that the practice of scoring butter to the exclusion of all other methods of rating it has its shortcomings. Unless he wants to know how his butter rates in the opinion of recognized judges, the man who is so situated that it is impossible for him to hope to be listed among the highest exhibitors has little to which to look forward to in a contest....It is interesting to note that one of the district units of the Minnesota Creamery Operators' & Managers' Association is planning to hold a double contest whereby both the score of the butter and its composition will be used in determining the winners. The enormous amount of work involved makes it impracticable to check the composition in the larger contests, but it is an excellent idea for this plan to be followed out in the smaller exhibits. Equally valuable from an educational standpoint would be a contest between those receiving the same quality of raw material, for the contest would then largely resolve itself into one of skill between the various contestants...."

Cuban Sugar Hugh Hammond Bennett writes on sugar production in Cuba in American Review of Reviews for January. He says in part: "No other country, regardless of size, comes anywhere near equaling Cuba's output of sugar. When the great areas of the other countries leading in production are compared with that of Cuba, with its 44,164 square miles of territory, it is to be inferred that the island republic either is a tremendously good region for growing sugar or else it produces not much but sugar. As a matter of fact, both shoes fit the Cuban situation. There is in that country some of the finest sugar land of the world, large areas of it....Cuba is now producing what must be considered fairly cheap sugar; but there are reasons to believe the cost can be lowered materially by eliminating from cultivation the inferior lands and by devoting as much efficiency to handling the crop in the field, where sugar is really produced, as is devoted to the milling end of the industry."

Future Trading at Chicago Price Current-Grain Reporter for Dec. 28 says: "Future trading on the Chicago Board for the first eleven months of this year totaled about a million and a half bushels less than for the same period last year and more than eight and a half million less than for the same time in 1925, trading in wheat, corn, oats and rye being included in these figures. The greatest shrinkage is in the trading in wheat, the total for the eleven months this year being only about half of what it was in 1925 and about two-thirds of what it was last year. This year is ahead of either of the previous years in corn trading and ahead of last year in the trading in oats and rye. This spreading of the trading may, as is intimated in Washington, be due to the activities of the Grain Futures Administration in trying to prevent excessive trading, and then, it may not."

Indiana Waterways An editorial in The Farmer's Guide (Huntington, Ind.) for Dec. 24 says: "A group of Vincennes business men are attempting to interest Congress in a proposal to dredge the Wabash River from its mouth to Huntington, and connect it by canal with the Maumee River at Fort Wayne. The Maumee connects with Lake Erie at Toledo. This arrangement would give unbroken water connections with all lake ports in the Great Lakes system, as well as Mississippi River and Gulf of Mexico ports. There is the further suggestion that a canal be built from the southern end of Lake Michigan to the Wabash at a point somewhere between Lafayette and Delphi. In case the lake-to-the-gulf and the Pittsburgh-to-Kansas City waterway projects materialize, as seems likely, it would seem that the development of the Wabash waterway would follow as a logical consequence."

Negro Education "The Negro Goes to College" is the title of an article by J.H.Dillard in World's Work for January. Doctor Dillard is a member of the General Education Board and in his article he points out the limited opportunity for higher education for the 12,000,000 Negro population of the United States, and urges "White America" to help the Negro to his rights in this respect. The American Negro is undergoing a change in status as rapid and as significant as that experienced by many of the minor peoples in Central and Eastern Europe, the author points out. For a long time we have been wont to think of the Negro in terms of a remote countryside, the roadside pulpit and the rural school and of his progressive activities in terms of farm demonstration. Now we must consider him as a fellow resident of our

cities and his activities as extending to fields of social service, to organized church work, and to professional schools of post graduate standards. Educational facilities in the past have been restricted largely to those institutions that were founded before the rise of the Hampton-Tuskegee group, and many of the so-called colleges for Negroes are simply high schools or junior colleges. There are only two Class A medical schools for Negroes and provision for theological training of standard grade is almost equally limited.

Prices in France

The index figure of wholesale prices for France compiled by the French Government Statistical Office and transmitted to the Bankers Trust Company of New York, which from April to October had been declining steadily, rose again in November by 7 points -- 607 as against 600 for October 1927 and 698 for November 1926. This was due chiefly to an increase of 11 points in the index for domestic products, while that for imported products advanced by one point only. Compared with the maximum in July 1926, the November index shows a decline of 247 points.

Rubber Plantations

Hyatt E. Gibson is the author of an article on American-owned rubber plantations, in Popular Science for February. He says in part: "....And now comes Henry Ford with an announcement that he has received from the Brazilian Government a rubber concession of from 3,000,000 to 4,000,000 acres in the Amazon Valley of South America, the native home of the Para rubber tree. There he is planning rubber production on a vast scale. Harvey Firestone, too, after preliminary experiments in various parts of the world, has had since 1926, under lease in Liberia, Africa, 1,000,000 acres devoted to growing rubber trees. This project already is showing results. Production will begin in 1930, and Mr. Firestone believes his African plantations will become a factor in the world market by 1935. Meanwhile America's pioneer in rubber growing, the United States Rubber Company, after seventeen years of experiment in cultivation, has enormously increased the yield from rubber trees. To-day, its plantations, covering more than 134,000 acres in Sumatra and Malaya, have become the greatest single rubber estate in the world. C.B.Seger, president of the company, recently announced that these plantations are yielding 441 pounds an acre a year, as compared with the average yield of 350 pounds the world over. And he estimated that the ultimate yield from the latest planted areas will be a thousand pounds an acre annually. Still another American venturer is the Goodyear Tire and Rubber Company, which, since 1916, has been developing plantations in Sumatra that to-day cover 5,000 acres...."

Scientific Marvels

Dr. Samuel W. Stratton, president of Mass. Institute of Technology, selects as the "Nine Wonders of the Modern World," the following: The discovery of bacteria and the application of bacteriology to human welfare; The progress of our knowledge of the constitution of matter and radiation phenomena; The progress of electricity as to light, power and communication; The internal combustion engine and its application; Modern methods of structure building with both metal and cement; Modern metallurgy; Processes of food preservation, including canning and refrigeration; Aircraft and aerial navigation; The development of machinery to lessen the burden of labor and to increase its output. (Pop. Sci. Mo., Feb.)

Section 3

Department of Agriculture

American Review of Reviews for January says: "The annual product of Secretary Jardine reviews agriculture in general as well as in detailed discussion of such products as cotton, corn, livestock and various others...There is an especially valuable section devoted to the discussion of research work of a scientific kind in the agricultural field. The economic and marketing services of our Department of Agriculture are well set forth, and Secretary Jardine's report as a whole is a document of wide informational range. It bears testimony to the indispensable services performed so creditably through this governmental agency."

Section 4

MARKET QUOTATIONS

Farm Products

Jan. 4: Livestock Quotations at Chicago: Steers, good and choice, $14.75-$18.50. Cows, good and choice, $8.90-$1[illegible]. Heifers, $11.50-$14. Vealers, $13-$15.50. Feeder and stocker cattle, steers $9.75-$12. Heavy weight hogs $8.50-$9. Light lights, medium to choice, $8-$8.80. Slaughter pigs $7.50-$8.40. Lambs, good and choice, $12.65-$13.75. Feeding lambs $11.50-$13.25.

Maine sacked Green Mountain potatoes ranged $1.95-$2.25 per 100 pounds in eastern cities; bulk stock mostly $1.45-$1.50 f.o.b. Presque Isle. Eastern sacked Round Whites $2.10-$2.50. Wisconsin sacked Round Whites $1.60-$1.70 carlot sales in Chicago; very few sales $1.35-$1.45 f.o.b. Waupaca. New York Danish type cabbage $13-$18 per ton in consuming centers; mostly $8 f.o.b. Rochester. Florida pointed type $1.50-$2 per 1½ bushel hamper in the East. New York Whole Island Greening apples ranged $8.50-$10 per barrel in city markets; Baldwins $7-$8 in Chicago. Michigan Jonathans $8-$9 in Chicago. Midwestern yellow onions $1.75-$2.75 sacked per 100 pounds in consuming centers.

The average price of Middling spot cotton in 10 designated markets advanced 22 points to 19.18¢ per lb. On the corresponding day in 1926 the price stood at 13.27¢. January future contracts on the New York Cotton Exchange advanced 22 points to 19.26¢, and on the New Orleans Cotton Exchange they were up 27 points, closing at 19.30¢. On the Chicago Board of Trade January future contracts advanced 20 points to 19.33¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.5[illegible]-$1.61¾. No.2 hard winter, Kansas City $1.38-$1.44½ and No.2 hard winter, Chicago $1.31. No. 2 soft red winter Chicago $1.39, Kansas City $1.42-$1.44½. No.3 mixed corn Chicago 83¢, Kansas City 74-77¢, and at Minneapolis 75½-77½¢. No.3 yellow corn, Chicago 84¢; Kansas City 76½-79½¢; Minneapolis 81½-83½¢. No.3 white oats Chicago 53¾¢-55½¢: Kansas City 52½¢-56¢; Minneapolis 51¼¢-53½¢. No.2 rye Minneapolis $1.01 3/8-$1.02 3/8.

Closing price of 92 score butter at New York was 53¢.

Closing prices on No.1 American Cheese at New York were: Flats 29-29½¢; Single Daisies 23¢; Young Americas 29-29½¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 4 Section 1 January 6, 1928.

CAPPER ON GREAT FALLS POWER — Senator Capper, chairman of the Senate District committee, yesterday joined those fighting to prevent private development of Great Falls water power, according to the press to-day. He made his views known in a letter to Secretary of War Davis, Secretary of Agriculture Jardine and Secretary of Interior Work, members of the Federal Power Commission. In urging the three not to grant even preliminary permits for projects on the Potomac River, Capper declared he knew of no urgent need for power that can not be supplied by existing facilities. He reminded the Cabinet members of plans for preserving the natural beauty of Great Falls.

GRAIN RATES — Senator Capper yesterday demanded investigation by the Interstate Commerce Commission of export grain rates, according to the press to-day.

FEDERAL EMPLOYEES' LEAVE BILL — Government employees who fail to take all the leave coming to them in one year would be permitted to take the accumulated leave the next year along with the other days coming to them, under the terms of a bill introduced in the House yesterday by Representative Smith, of Idaho. All leave would be paid for out of current appropriations. (Press, Jan. 6.)

DODD ON FARM CONDITIONS — American farmers fear that they are on the road to peasantry, William E. Dodd, professor of American history at Chicago University, said last night in an address before the community institute course at Washington. Professor Dodd traced the history of agriculture in the United States and said that farmers now find prospects here so poor that 649,000 farmers and farm people abandoned their calling in 1926 and moved into the cities. He said that 3,000,000 have left their farms since 1920. (Press, Jan. 6.)

TRADE COMBINATIONS IN EUROPE — Trade combinations in Europe stronger than this country's greatest trusts, supported in large measure by Government subsidies and formed to capture markets in North and South America and the Orient, constitute a pressing problem for solution by the United States, the House appropriations committee was told yesterday by Dr. Julius Klein, director of the Bureau of Foreign and Domestic Commerce. Doctor Klein declared that Europe is preparing with a seriousness never before manifested for a drive to win back the trade it lost to the United States during the war. He uttered a warning that the hour has arrived when American business men must fight hard to retain the foreign trade built up in the past decade and a half. (Press, Jan. 6.)

British Milk Market

Country Life (London) for Dec. 24 says: "There has recently been published by the Ministry of Agriculture a report on 'The Fluid Milk Market of England and Wales' which raises issues of fundamental importance not only to the dairy industry and agriculture generally, but to national life and health....One would expect the consumption of milk to be high in a civilized country like ours, especially among those classes who, of necessity, look to get the best value for money when purchasing food for themselves and their families. But this is very far indeed from the case....We find the following estimates of annual consumption per head of liquid milk; Switzerland, 83 gals.; Sweden, 67 gals.; Denmark, 67 gals.; United States, 46 gals. Other estimates recently published are as follows; Germany, 61 gals.; England, 22 gals.; Hawaii, 1 gal....This is, surely, a lamentable position, and discloses a fertile field for activity on the part of the Ministry of Health, whose duty it is to foster the national well-being....If the consumption of milk could be substantially increased, it would go far to restore the prosperity of agriculture as a whole. It is not always remembered that the dairy industry, with its by-products, provides about one-quarter of the total cash output of the land, and its influence on all other forms of farming, except, perhaps, the hill sheep farmer, is profound. If the consumption of milk were raised by only one-tenth of a pint per head per day there would be an additional demand for no less than 160,000,000 gals., requiring an increase in our dairy herd of 300,000 cows....In the report the author suggests that the Joint Committee of Producers and Distributors should make a real effort to bring about some such expansion of consumption, and we have since been informed that the Empire Marketing Board is preparing to support a certain measure of milk publicity. We greatly trust, however, that the Government will go farther than this and seriously consider the possibilities of a real national milk campaign, launched with the whole-hearted support of all departments of State."

Family Budget Changes

The Railway Age (New York) says: "The United States Bureau of Labor Statistics has issued a statement intimating that it may soon discontinue its publication of cost-of-living index figures, because it hesitates longer to rely on the family budget figures which it gathered in 1918 for the purpose of weighting its price statistics. The budget survey was originally made for the Shipping Board as a basis for fixing its rates of wages, and the cost-of-living index has figured largely in railway and other wage-adjustment proceedings. The statement says that because of the well-known changes in the standard of living since 1918, the proportions of the family income expended for different items entering into the budget have changed, although it is impossible to say how far the figures purporting to show the effect of changed prices on the actual cost of living are 'off,' or in what direction they are 'off,' the bureau seems to be more than half right, for once, at least. Of what importance in a cost-of-living index to-day is the price of cotton stockings, or even of some other items of cotton or wool which, although more in evidence now than when they were 'unmentionable,' are certainly less weighty, statistically and otherwise?...The cost of the new radio may have been offset to some extent by the reduced cost of running the car, but an increased consumption of rubber (tires or soles) may be offset against the reduced use of leather, both per capita and per shoe. It is said that the greatly increased use of the closed car has caused an enormous shrinkage in the sales of overcoats, while the electricity bill

has gone up as the ice bill has come down. The bureau recommends a new family-budget survey, with the geographical limits selected along broader lines, saying that the overbalancing effect of the eighteen shipbuilding centers on which its survey was originally based was never entirely overcome. It also points out that its budget figures cover at best but 12,098 families. To-day there would be less railway employees as well as shipworkers in any group of 12,000 than in 1918. All of which simply goes to prove that it is far easier to show that statistics are wrong than it is to get them right."

Latin-American Trade

Francis H. Sisson, vice-president of the Guaranty Trust Company of New York, is the author of a statement on "Our Latin-American Investment" in American Review of Reviews for January. He says in part:"...The position of this country to-day, with surplus capital and surplus production seeking foreign markets, makes the expansion of Latin-American trade a necessity to its maintenance. Latin America in turn needs our capital and our markets. Thus the factors cementing our interests are so much more important than any which might divide them that no course is rational for either party unless it will result in furthering that desired understanding and cooperation. American statesmen, financiers, and manufacturers with vision have caught glimpses of the opportunities this situation offers for years, but what has been realized in the way of a mutually profitable relationship is only a fraction of what is in store. In spite of the many difficulties which have been faced, which need not be detailed here, we find that to-day the United States has invested more capital in Latin-American countries than in any other part of the world....One of the most effective ways for American business to increase its volume of exports is by the indirect method of encouraging imports. This is a phase of the trade-promotion problem that is not receiving the attention it deserves. While the importation of commodities that are direct competitors of American-made products is, of course, strenuously opposed, there are many directions in which our import trade could be expanded without involving such competition. The foreign-trade interests of the United States will progress much more rapidly when they definitely rid themselves of the idea that our industrial prosperity depends upon the maintenance of a so-called 'favorable' balance of trade. The large surplus of loanable funds at the disposal of American investors and the growing familiarity of our investors with foreign securities will tend to strengthen the position of this country as the world's banking center, and will provide us with a strong weapon in the battle for trade supremacy in Latin-American markets."

Master Farmer Contests

An editorial in The Progressive Farmer for Dec. 24 says: "When the Standard Farm Paper Association of the United States began the promotion of 'Master Farmer' contests in the different States served by Standard Farm Papers, it performed one of the greatest services ever rendered American agriculture. For the first time, farmers who set new standards of merit and achievement for their profession are to receive the distinction and honor that are their due....Now the Master Farmer movement begins a like recognition of farmers of outstanding achievement--and it is extremely interesting to learn that in the great building trades in New York City a similar movement is under way....With seventeen States holding 'Master Farmer' contests this year, the movement has already reached national proportions and is even attracting marked attention in foreign lands."

New York Agriculture

Governor Smith's message to the New York Legislature is reviewed in The Journal of Commerce for Jan. 5, which says:"...As to agriculture, Governor Smith is about equally outspoken. He recognizes it as the basic industry of the State and takes the position that the State 'by wise and prudent policies should foster and upbuild' it and should 'consider the full well-being of those engaged in it.' This, he says, is being done by the State of New York through better rural education, larger training in agriculture and the development of good State roads providing cheap transportation. Along all these lines, further progress is demanded, while from the standpoint of marketing, the Governor holds that there is no other of the commonwealths in the Union which has done as much in the way of adequate and comprehensive cooperative marketing legislation as New York. There are now 1,100 cooperative associations in the State, and their combined business is more than $115,000,000, including both selling and buying groups. The message makes no very definite recommendations for changes in policy, and he evidently believes that steady procedure along present lines, coupled with provision of adequate and cheap power for the elimination of unnecessary drudgery on the farm, is all that is needed. This program, both as to power and to agriculture, may thus be stated as 'conservation and cooperation.'...."

Research Experiments

An editorial in The American Fertilizer for Dec. 24 says: "The value of agricultural research is being illustrated anew in Louisiana. An improved variety of sugar cane, which had been produced only in sufficient quantities to build up a seed supply, was widely planted last spring. It was known to be much better than the varieties previously grown, but its actual value is now being demonstrated. The yield is 25 to 30 tons of cane per acre on ordinary land, while as much as 35 or even 40 tons of cane is being harvested from exceptional soils. Last year's yield of cane was unusually low--6.7 tons per acre--but twice that figure would be a generous average for recent years. So it will be seen that the claim of the growers that their crop has been doubled by the use of the new variety is no exaggeration. Nor is it strange that the plantings will increase next year from 40,000 to 75,000 acres. [illegible] Kanred wheat has been worth more to the State of Kansas than the State experiment station has cost since its organization. Most States can point to at least one crop that has been improved in yield or quality or both by the patient research of the State experiment station. Most of the projects on which the experiment stations are working are worth while, but there is room for a great deal more fundamental research work."

World Trade

"Our World Trade--January to September, 1927" is published by the foreign commerce department of the Chamber of Commerce of the United States. Its foreword says: "During the first nine months of 1927 Canada achieved the distinction of being the United States' 'best customer' as well as its 'chief source of supply.' By displacing the United Kingdom for the first time as our chief export market and by keeping ahead of Japan and the United Kingdom as producer of our imports, Canada rose to a position that emphasizes strongly the trade interdependence of the United States and its northern neighbor. Total export values for the third quarter fell off, reducing to three per cent the gain of the nine months of 1927 over the same

period of 1926. Despite this slackening thirteen of the twenty leading exports showed increases in both value and quantity. Eighty-two out of one hundred thirty-two chief exports recorded quantity increases. American manufactures, both finished and semi-finished, continued as a group to find larger foreign markets. The twenty-three per cent increase in exports of crude foodstuffs was largely in shipments of wheat, rye, barley, apples and oranges. Import values still continue below the 1926 figures, but with some improvement in the last quarter. In two lines--silk and rubber--with lowered prices the quantity of imports rose to such a point that the nine months' imports of silk exceeded any full year imports prior to 1925 and of rubber, any full year total prior to 1924. The data are based on the official statistics published by the Bureau of Foreign and Domestic Commerce., which are subject to revision."

Section 3

MARKET QUOTATIONS

Farm Products Jan. 5: Livestock quotations at Chicago: Steers, good and choice, $14.25-$18.25. Cows, good and choice, $8.75-$12. Heifers, $11.50-$14. Vealers, good and choice, $13-$15.50. Feeder and stocker cattle, steers, $9.75-$12. Heavy weight hogs, $8.15-$8.70. Light lights, medium to choice, $7.50-$8.40. Slaughter pigs, $7.25-$8. Lambs, good and choice, $12.75-$13.85. Ewes, medium to choice, $4-$7. Feeding lambs, $11.50-$13.25.

Maine sacked Green Mountain potatoes $2-$2.35 per 100 pounds in eastern cities; $1.60-$1.65 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.60-$1.70 carlot sales in Chicago; $1.35-$1.50 f.o.b. Waupaca. New York Danish type cabbage $12-$18 bulk per ton in terminal markets; mostly $8 f.o.b. Rochester. New York and midwestern sacked yellow onions $2.25-$2.75 per 100 pounds in consuming centers; $2-$2.25 f.o.b. New York Baldwin apples $6-$6.50 per barrel in New York; Pa. Yorks $6.25. Michigan Baldwins $7-$8 in Chicago.

The average price of Middling spot cotton in 10 designated markets declined 18 points to 19¢ per lb. On the same day last season the price stood at 18.21¢. January future contracts on the New York Cotton Exchange then declined 16 points to 19.10¢, and on the New Orleans Cotton Exchange they were down 20 points, closing at 19.10¢. On the Chicago Board of Trade January future contracts declined 19 points to 19.14¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.56-$1.62½ per bushel. No.2 hard winter at Chicago $1.30 and No.2 red winter $1.37 per bushel. May corn at Chicago 90 1/8¢ and No.3 mixed corn 84¢ per bushel. No.3 yellow corn 85½-86¢ at Chicago and 81-83¢ at Minneapolis. May oats at Chicago 55¢ with No.3 white oats 53¾¢-55½¢. No.3 white oats Minneapolis 51 3/8¢-53 3/8¢. No.2 rye at Minneapolis $1.00¾-$1.01¾.

Closing price of 93 score butter at New York was 52¢.

Closing prices on No.1 fresh American cheese at New York: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 5 Section 1 January 7, 1928.

THE PRESIDENT ON RESERVE LOANS Although loans to brokers and dealers held by New York Federal Reserve member banks have reached the unprecedented height of $3,810,023,000, President Coolidge does not see any reason for unfavorable comment. The loans are larger than at any time within the history of the Federal Reserve system and are approximately $1,000,000,000 in excess of those reported January 5, 1927. During the last month they increased by approximately $100,000,000 and except for a few minor fluctuations they have increased steadily for the last eighteen months. The President, it was said at the White House yesterday, believes the increase represents a natural expansion of business in the securities market and sees nothing unfavorable in it. (A.P., Jan. 7.)

RADIO COMMISSION'S CONTINUATION Legislation to continue the life of the Federal Radio Commission for at least one year is to be introduced in Congress soon it was disclosed yesterday at hearings before the Senate interstate commerce committee on President Coolidge's nominations to the commission. Chairman Watson told the committee already he had drafted a bill to continue the commission after March 15, when otherwise it would pass out of existence, and a similar measure will be introduced in the House to-day by Representative White of Maine, one of the authors of the present radio act. (Press, Jan.7.)

TREASURY BARRED FROM RADIO USE The Associated Press to-day reports that under a ruling of Controller General McCarl, the Treasury will be prohibited from using the radio to broadcast facts about the proposed retirement of the Third Liberty bond issue callable Sept. 15. Mr. McCarl holds it is illegal for the Treasury Department to use the radio for advertising purposes without specific authority from Congress. During the campaign for retirement of the Second Liberty issue, the Treasury used a widespread radio hook-up which it credited with a great part of the success of the retirement program. Overtures have been made to the Controller General by Treasury officials, but he has declined to revoke his order.

PACKERS' DECREE Protests against setting aside the consent decree under which the five big packing companies agree not to engage in business not directly related to the meat packing industry, were heard in the Supreme Court Jan.4 from attorneys for the National Wholesale Grocers' Association. The association contended that violations of the anti-trust laws would follow rescinding the decree and that packers are threatening to monopolize the grocery and canned goods business. (Press, Jan. 5.)

AIR TAXIS IN SOUTH AFRICA A Durban press dispatch states that South Africa's first aerial taxi service is being started at Durban with four "Moth" airplanes. Air taxi work to all parts of South Africa, aerial survey and advertising by airplane are to be undertaken. A similar service, equipped with Avro-Airon machines, is being organized at Cape Town.

Section 2

Beef "Boycott" An editorial in Ohio Stockman and Farmer for January 7 says: "The agitation against beef prices didn't last long and no boycott resulted from it. The hotel men who started the whole rumpus declare that they were merely making a necessary explanation to their customers, that they had no intention of starting a boycott or injuring an industry; but probably they will be more careful about the nature of their explanations in the future. The public has manifested a disposition to be fair about the matter, and that is the best feature of it."

Business Forecasts An editorial in The Wall Street Journal for January 6 says: "New Year forecasts of coming business conditions, ordinarily much alike from year to year, have this year shown not a little variation from the conventional. Optimism is in evidence, but not quite so abundant or so carelessly exuberant as for several years past. Business leaders and bankers are noticeably more ready to speak of unfavorable factors in the situation, and as they have gained in evident frankness they have dropped the tone that too often gave an impression of calculated puffery. One thing that strikes the casual reader of these forecasts is the much greater certainty among those who may without offense be called professional statisticians than among business men and bankers that 1928 will set 'new high records.' It is probably true that, on statistics alone, distinct upturn this year is indicated. Diminishing production of the past six months in several important lines such as steel, lumber and automobiles, doubtless means reduced inventories and perhaps comparative shortages. Employment, though curtailed of late, still remains large on the whole and wage scale reductions have so far been almost negligible. With goods relatively scarce and prices a little lower than a year ago, retail distribution unchecked, buying power high and widely disseminated, and more profitable harvests garnered, conditions of the moment promise a good year...."

Farm Conditions in New England An editorial in New England Homestead for Dec. 31 says: "With the constant talk of this, that, and the other kind of a plan to provide Government aid for the farmer, there is considerable satisfaction to be derived from the annual report of President E.H.Thomson of the Federal land bank in Springfield. His report, as told elsewhere in this issue of The Homestead, shows improved farm conditions in the Northeastern States, and especially in New England. 'Improvement is especially noted,' said President Thomson, 'in the dairy sections, which make up a large part of the district. On the whole the morale of the farmer is found to be better than it was a year ago. In Massachusetts a distinct gain has been made in conditions, due chiefly to the improvement on the dairying end.' Banks are not given to making 'scarehead' statements. As a rule they are conservative, and this report of President Thomson can be taken at its full face-value...."

Farm-to-Market Highways An editorial in The Michigan Farmer for Dec. 31 says: "Two bills have been recently introduced in the United States Senate, touching upon the matter of highway improvement in the United States. One of these bills provides for a survey of routes which would be as direct as practicable between the Atlantic and Pacific Coasts and cross highways from the Canadian line to the Gulf of Mexico. The other bill would authorize the expenditure of a hundred million dollars for the construction of rural post roads over which rural carriers travel in

serving their routes. This appropriation would be exclusive of those now included in the Federal aid highway system. The money would go to each State according to the mileage of rural routes, provided that the State appropriate a similar amount. Two different ideas are here voiced in regard to Federal aid highway construction. One asks that appropriations be used for providing pleasure tourist routes across the country. The other urges Federal aid in the construction of highways that will not only serve in the matter of making mail deliveries to farmers, but will also provide farm-to-market highways. This last idea appeals to us strongly. If such a measure became a law, it would quite completely overcome the isolation of the farmer....We have a firm conviction that such a measure would meet popular approval and make a real contribution to our rural life."

Florida Livestock — An editorial in Florida Times-Union for Dec. 29 says: "One man in Florida, whose work has been directed almost exclusively to the improvement of the livestock industry of this State, and who has accomplished a great deal that is for permanent benefit, deserves very much more of credit than ordinarily goes to one who works faithfully and well for the benefit of others than himself, only, during a long period of years. Reference is being made to John M. Scott, who, on December 30 will complete twenty-one years of service, as animal industrialist, with the Florida Experiment Station connected with the University of Florida....All the people in Florida owe to John M. Scott a deeper debt of gratitude, than, perhaps, to any other one man connected with the State's cattle industry, for what he has done for their benefit....The changes are for the better, for supplanting scrub cattle with grades and purebreds, for improved methods of caring for cattle and for more satisfactory results to cattle raisers and to the consumers of beef, milk and butter. How much of benefit, in dollars, Mr. Scott has brought to the Florida livestock industry in general can not be estimated, but it is enormous, and is continuing...."

"Institutes" — Theo. H. Price, writing in Commerce and Finance for January 4, says: "....The trade 'Institutes' have done good work by keeping industrial production in balance with the offtake....What has been called the 'Institute habit' is becoming almost national and its prevalence ought to be reassuring if the line that separates cooperation from illegal conspiracy in restraint of trade is not lost sight of. Agriculture, which is our most important industry, is, however, without an Institute as yet, and its effective organization is probably our major political, financial, and social problem. Until it is solved the Nation's prosperity is certain to be somewhat one-sided, and it is to be hoped that some way out of what seems to be an economic impasse will soon be found...."

Pest Control — Julian Huxley, writing in Harper's Magazine under the title "Mice and Men," reports that a study of the Hudson Bay Company's records shows cycles of increase and decrease in the fur-bearing animals. Each period of maximum production is followed by an epidemic that brings on a minimum. Mr. Huxley gives many instances of these increases, from the plague of field-mice in California early in 1927 to the periodical devastation of crops by the Kansas locusts. They follow regular cycles, he finds, one of about eleven years and one of about a third of this period. Speaking racially and not of the individual, Mr. Huxley

believes that thinning out by enemies and epidemics is a good thing for the animals. He says: "One can hardly, perhaps, speak of an animal's enemies as part of its adaptations; but at least they are vital to its survival. The fact is, of course, that in almost every case the word 'enemy' is only applicable when we are thinking in terms of individuals; as soon as we think of the species, the individual 'enemy' usually turns out to be a racial benefactor. The two things needful at this stage are patience and research. Patience is needed in face of the popular outcry and demand for immediate action which is raised every time a plague of mice or a dearth of fish is experienced. And research is needed to unravel the excessively complicated threads of the web of life by which one organism is linked up with others and with all its environment. Modern agriculture, with its massing of huge numbers of individuals of one species of plant or animal, is a deliberate invitation to parasites and pests to revel in the unaccustomed profusion. And when we come to tropical agriculture, we must remember that the tropical heat raises the insect to be the equal in activity of the warm-blooded mammal, including our own species. The mechanical and chemical triumphs of the last hundred years must give place in this century to biological triumphs of equal magnitude if man is to retain his dominant position on the earth."

Scottish Agricultural Problems

An editorial in The Scottish Farmer for Dec. 10 says: "The Scottish Chamber of Agriculture last week surpassed itself. By a substantial majority it passed a full-blown resolution in favor of the Government, 'by fiscal means or otherwise,' taking steps to maintain arable cultivation. In working out details the chamber resolved that these 'fiscal means or otherwise' should be restricted in their application to barley, oats, and potatoes. The particular method approved is that of making the provisions of the Safeguarding of Industries Act applicable to these three crops, and, or, restricting imports of barley, oats, and potatoes. The chamber also committed itself by the same majority to the principle of putting a duty on imported flour. It goes without saying that in committing itself to these proposals the Scottish Chamber of Agriculture has proclaimed its impotence. The meeting had before it three definite methods of dealing with the report of the directors on national policy. Mr. Jackson, Hassendean Bank, tried to save the Scottish Chamber by moving that the scheme be passed from. The reason advanced was the very sensible one that the report contained reference to every remedy for agricultural depression except self help. The effective method of dealing with that defect would have been to remit back the report for amendment along the line of suggestions towards self help....The farcical nature of these proposals is self-evident. For example, in so far as potatoes are concerned, they are based on conditions which obtained in 1926, but are notably absent in 1927; they differentiate between the wheat grower and the barley and oats grower, while as a matter of fact the wheat grower is much more seriously menaced at present than the grower of barley or oats; they call for safeguarding in the interests of flour millers, but have no suggestions to help the home producer of the highest quality of meat, who now finds himself menaced by the imports of high quality meat from the Argentine...."

Trans-Atlantic Airway Discussion — The Westminster Gazette (London) for Jan. 5 states that Commander Charles Burney, managing director of the Airship Guarantee Company which is building a 100-passenger air liner, is going to discuss with American financiers the formation of a great Anglo-American airship company. The proposed organization would have a capital of about 5,000,000 pounds ($25,000,000) and would operate a fleet of passenger airships between New York and London.

Section 3
MARKET QUOTATIONS

Farm Products — Jan. 6: Livestock quotations at Chicago: Steers, good and choice, $14.25-$18.25. Cows, good and choice, $8.75-$11.50. Heifers, $11.25-$13.75; Vealers, $12.50-$14.50; Feeder and stocker cattle, steers, $9.75-$12; Heavy weight hogs, $7.90-$8.45; Light lights, $7.25-$8.10; Slaughter pigs, $7-$7.75; lambs, $12.65-$13.65; feeding lambs, $11.50-$13.25.

Maine sacked Green Mountain potatoes ranged $2.05-$2.35 per 100 pounds in eastern cities; bulk stock mostly $1.45-$1.50 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.60-$1.70 carlot sales in Chicago. New York Baldwin apples sold at $6-$8 per barrel in city markets; Rhode Island Greenings $8-$11 per barrel; McIntosh $10.50-$11 in New York City. New York Danish type cabbage $12-$15 per ton in terminal markets; mostly $8-$9 f.o.b. Rochester. Northern stock $1.10-$1.20 sacked per 100 pounds in Chicago. Midwestern sacked yellow onions closed at $2-$2.60 per 100 pounds in consuming centers; very few sales $2.25 f.o.b. West Michigan points.

The average price of Middling spot cotton in 10 designated markets advanced 21 points to 19.21¢ per lb. On the same day in 1927 the price stood at 12.35¢. January future contracts on the New York Cotton Exchange advanced 24 points to 19.34¢, and on the New Orleans Cotton Exchange they were up 14 points, closing at 19.24¢. On the Chicago Board of Trade January future contracts advanced 16 points to 19.30¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.56½-$1.65 per bushel. No.2 hard winter at Kansas City $1.36-$1.42 with No.2 red winter $1.42-$1.45. No.2 red winter at Chicago $1.38 and No.2 hard winter $1.29½. No.3 mixed corn at Chicago 82¢; Kansas City 74-78¢; Minneapolis 76-78¢. No.3 yellow corn at Chicago 84¢; Kansas City 78½-80½¢; Minneapolis 82-84¢. No.3 white oats at Chicago 54-56¢; Minneapolis 51¼¢-53¾¢. No.2 rye at Minneapolis $1.01 3/8-$1.02 3/8.

Closing price of 92 score butter at New York: 52¢.

Closing prices on No.1 fresh American cheese at New York: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 6 Section 1 January 9, 1928.

THE SECRETARY ON MASTER FARMERS

Secretary Jardine's address at the Master Farmers' dinner at Oklahoma City, Jan. 6, is the subject of a long editorial in to-day's New York Times. It says in part: "At the dinner in Oklahoma City last Friday to honor eighteen Master Farmers of the State, Secretary Jardine explained how they had been chosen as exemplars to the farmers of the country....When Secretary Jardine furnished statistics of what the eighteen Oklahoma Master Farmers had accomplished as producers and salesmen, it was significant that sixteen of them belonged to cooperative marketing associations. Also, eleven of them carried life insurance, 'a practice which most farmers neglect.' The Secretary testified that in other States 'the records of Master Farmers are equally striking.' The man of ability, thrift and character gets ahead, and makes a success of his farm. Is not that true of the men of other occupations who get to the top?...Some of the Master Farmers have specialized as cultivators, just as men in other occupations specialize and greatly succeed. Secretary Jardine gave this advice, which, it is to be hoped, was not lost on guests who were not Master Farmers: 'We must adapt our production to the demand in kind, quality and quantity, and must market our products to the best advantage.' Above all, he urged cooperation among farmers, in which the United States is backward, compared with a little State like Denmark. The problems of farming can be solved by the Master Farmers of the country. They are pillars of strength in the noblest of avocations."

LINDBERGH ON INTERNATIONAL RELATIONS

Col. Charles A. Lindbergh, writing from San Jose, Costa Rica, to The New York Times to-day, says: "I have encountered everywhere a cordiality and interest that serve to convince me the more of the value that would come from better facilities for international intercourse among the Central American countries and the United States. My flights in this part of the world have indicated that aviation is one of the best available means of transportation and, in addition, that it is peculiarly adapted to Central America. Trips of days, if not of weeks, by the present means can be shortened to hours. Furthermore, I have found the people of these countries keenly interested in flying, which is an important factor in its success."

BOULDER CANYON DAM

The Associated Press to-day reports: "The House irrigation committee, when it resumes hearings on the new Swing-Johnson Boulder Canyon Dam bill to-day, will have before it four reports from as many advisers named in April by Secretary Work to consider the project from every angle. Senator Waterman of Colorado, a fifth adviser, has not yet reported. The advisers, including James R.Garfield, former Secretary of the Interior; Governor Emerson of Wyoming, former Governor Scrugham of Nevada and Professor William F. Durand of Stanford University reported individually on questions asked by the Interior Secretary as to the feasibility of the project and whether or not the Government could and should proceed without unanimous approval of the Colorado River Basin States...."

Section 2

Dairy Industry in Pacific Northwest

An editorial in Western Breeders Journal for Jan. 1 says: "A report of the Dairy Produce Committee for the Pacific Northwest Advisory Board's eight quarterly meeting reveals a remarkable progress in the dairying industry of this section of the country. This increase in production has been in spite of the fact that the actual number of dairy cows has decreased considerably. This decrease in number naturally was viewed with some alarm at first but was found to be no serious problem at all, inasmuch as it may be looked upon as the natural result of a careful weeding out of unproductive cattle. The report shows that particularly since 1923 have dairymen been on the alert as to efficient production. In that year 665,000 head of cattle produced products valued at $61,370,941; while in 1926, the last year covered by the survey, 666,000 head of cattle products valued at $77,614,980. These figures show that better methods, better sires, testing for production of milk and fat, made it possible in 1926 for almost the same number of cattle to produce products worth $16,244,039 more than those produced in 1923. This is an achievement not only worth mentioning, but worth bragging about. The report further shows that the leading breed of dairy cattle in this increase production is the Holstein, and that the leading State in the Union in production average per cow is Washington, with its average of 4,91 pounds per year per cow. The average for the United States is 4,000 pounds per year per cow. Oregon also comes in for some mention in connection with the increased production of cheese. Oregon is also mentioned as being one of the leading States in the production of high producing individuals of the Jersey breed."

Grocery Losses

An editorial in Ohio Stockman and Farmer for January 7 says: "The University of Nebraska has been studying the grocery business. It finds that in the two chief cities of the State 45 per cent of the stores operated at a loss and the same was true of 39 per cent of the stores throughout the State. Only one grocer in four made money. There may be more in all this than these few striking results indicate. Before introducing in Congress any bills for the relief of grocers it might be well to ascertain how so high a percentage of stores can lose money and continue to operate. Maybe some of this grocery figuring is like a lot of farm figuring which leaves the farmer 'in the hole' even when he thinks he is reasonably prosperous."

Negro Dairymen

L.J.Folse, general manager of the Mississippi State Board of Development, Jackson, writing to Manufacturers Record for Jan. 5 gives the following interesting bit of information: "We have just run across an item of interest in the dairying development at Starkville, Miss. The Borden Milk Company's condensery at Starkville has about 1,200 patrons who supply milk and cream; 501 of these are negro farmers who are drawing approximately $15,000 a month, or about $360 a year for each negro farmer. And all the farmers who deliver milk to the condensery are making as much cotton as they ever did. The dairying development in Mississippi to the negro race alone means more to their welfare and future progress than the Emancipation Proclamation. The complete economic liberation of the negro and the so-called poor white farmer of the South is coming rapidly through the dairy cow and hydro-power."

Science and Progress George Ellery Hale, honorary chairman of the National Research Council, makes a plea for further recognition and support of science in its relation to the progress of the economic life of the Nation in Harpers Magazine for January. When men like Herbert Hoover, Elihu Root, Charles E. Hughes, and Owen D. Young volunteer their services and join with members of the National Academy of Sciences in presenting the needs of pure science to the American people we may reasonably believe that a question of national importance is at stake, Doctor Hale argues. And when industrial leaders, recognizing the value of research to their stockholders, vote to assist in meeting these needs, we are equally sure of their conviction that American industry must profit enormously by the adequate cultivation of pure science. The wider the vision and the more powerful the constructive imagination of the statesmen and business leaders who rise by these qualities above mediocrity, the greater is their appreciation of the vital relationship between pure science and industrial and national progress. Our place in the intellectual world, the advance of our industries and our commerce, the health of our people, the production of our farms, the conditions under which the great majority of our population must labor, and the prosperity and security of the Nation depend upon our cultivation of pure science.

Sugar Situation An editorial in Facts About Sugar for Dec. 31 says: "Nineteen Twenty Seven has been a better year than many that the sugar industry has experienced. The financial returns obtained by sugar producers have shown an improvement, almost without exception, over those of the preceding year. Whereas, in 1926, many sugar companies incurred heavy losses, most of them show a profit on this year's operations and some of them are able to record very satisfactory earnings. In certain respects, however, the year has been a disappointing one to members of the industry and in some particulars it has failed signally to realize the promises held out for it a twelvemonth ago. One respect in which the showing made during the year was below general expectations was in the volume of distribution or, as it is often loosely termed, consumption....While some countries have increased their consumption, the Nations that are the largest consumers have taken only slightly more than in 1926, and in some noteworthy cases there has been a decline in distribution. For the world as a whole there has been a gain of less than two per cent....An outstanding event of the year has been the adoption by Cuba of a policy of crop limitation for the next six years, following the tentative steps in this direction that had been taken during the past two seasons, and the resulting conferences in Europe between Colonel J.M.Tarafa, president of the Cuba sugar defense commission, and representatives of some of the principal European producers....Another event of particular significance to the sugar trade of the United States was the meeting held in New York City early in December for the purpose of bringing about an agreement among refiners to eliminate special concessions and other irregular practices in the sale of sugar. If the plans broached at the conference are carried out, they will result in the formation of a trade association or institute that will have for its purpose not only the stabilization of the trade in refined sugar, but also the promotion of the interests of the industry in various other ways...."

Tractor Construction — An editorial in Farm Implement News (Chicago) for Dec. 29 says: "...One ton of tractor on an average now delivers more than two-thirds ton of pull instead of only half a ton. That is considerable progress. Tractors certainly are better designed and better built each year. There is no gossip going the rounds that tractors have not the stuff in them that they used to have, but similar statements are constantly heard around garages in reference to motor cars. The fact is that the Nebraska tractor tests furnish a constant prod on the industry to better preceding records. Competition forces it. Sometimes it hurts temporarily. But in the end farmers buy better machines and dealers have the opportunity to sell them to the great satisfaction of their customers."

Wealth Accumulation — Thomas Nixon Carver, Professor of Political Economy at Harvard University, writes on the methods of wealth accumulation in The Magazine of Business for January. Failure to see the difference between getting rich by predatory methods and getting rich by productive methods is at the bottom of much of the radical and loose thinking of the day, Professor Carver believes. The one who gets rich by production makes others rich in proportion as he gets rich. The richer he gets, the richer he makes others, and the more rich men in a country who get rich by production, the richer everybody else in the country becomes. Precisely the opposite is true of depredation. The richer one becomes, and the more there are who get rich by depredation, the poorer every one else becomes. Through the suppression of depredation and the establishment, roughly, of the general rule that economic rewards shall be proportionate to production, the foundation is laid for an economic system under which all, and not a few only, may escape want. Wholesale depredation makes that impossible.

Section 3

Department of Agriculture — "Official Price Forecasts" is the title of an editorial in The Wall Street Journal for Jan. 7, which says: "...Official price forecasts are not entirely a bad thing....Those who make a special study of the stock market do not make prices; they simply study the conditions and factors that go to make up a market, and draw their conclusions accordingly. Suppose one of them, while a bull market was on, seeing in the near future something likely to result in falling prices, should publish an announcement of that fact, and prices tumbled? Should he be held responsible for the drop, or recognized as a public benefactor? Weather Bureau experts, studying meteorological conditions, see a storm coming, or perhaps a frost. The bureau sends out its warning, and the country takes what precautions it can to protect itself. The storm or the frost comes and does considerable damage, but is the Weather Bureau responsible for that? We recognize that its warning has benefited all intelligent enough to take advantage of it. The Bureau of Economics of the Department of Agriculture does not make the prices of cotton, wheat, or any commodity. It is, however, equipped to gather facts and data concerning both crops and markets. It is its duty to publish and distribute that information. Not all of those who receive that information are capable of correctly interpreting it. It would seem, therefore, that the bureau should be permitted to point out the probable effect of the facts which it announces; the public has the sense to realize that the statements of the bureau are not price fixing, but merely the accouncement of price making factors."

Section 4
MARKET QUOTATIONS

Farm Products For the week ended Jan. 7: Livestock quotations on hogs at Chicago were: Heavy weight, medium to choice, $8-$8.50. Light lights, $7.40-$8.35.

Maine sacked Green Mountains potatoes $2-$2.35 per 100 pounds in eastern cities; bulk stock $1.45-$1.50 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.55-$1.65 carlot sales in Chicago; $1.25-$1.35 f.o.b. Waupaca. Midwestern yellow onions $1.75-$2.65 sacked per 100 pounds in consuming centers; very few sales $2.25 f.o.b. West Michigan points. New York Danish type cabbage $1-$4 higher closing at $14-$20 bulk per ton in terminal markets; mostly $9 f.o.b. Rochester. Apples, New York Baldwins $6.50-$6.75 per barrel in New York City. Eastern Yorks $4.50-$6.50.

Closing price of 92 score butter at New York: 50½¢.

Closing prices on No.1 fresh American cheese at New York: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

Average price of Middling spot cotton in 10 designated markets declined 17 points, closing at 19.04¢ per lb. January future contracts on the New York Cotton Exchange declined 19 points, closing at 19.15¢, and on the New Orleans Cotton Exchange they were down 23 points, closing at 19.01¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.56½-$1.63 per bushel. No.2 hard winter at Kansas City, $1.36-$1.42 and No.2 red winter $1.43-$1.45. No.2 red winter at Chicago $1.38 and No.2 hard winter $1.29½. No.3 mixed corn at Chicago 85½¢; No.3 yellow 86½¢; No.3 yellow corn, Kansas City 78½-80½¢; Minneapolis 82-84¢ per bushel. No.3 white oats 55¢-56¢ at Chicago and 51¼¢-53¾¢ at Minneapolis. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 7 Section 1 January 10, 1928.

BIEBER BUILDING BILL — The Senate yesterday passed and sent to the House the bill of Senator Smoot, authorizing the Secretary of Agriculture to rent the Bieber Building, 1358 B Street, Southwest, at an annual rental of $55,000 a year, according to the press to-day.

CENTRAL AMERICAN AIR PROJECT — The press to-day reports: "President Coolidge, according to a statement issued yesterday by Pan-American Airways, Inc., is interested in the survey which the Pan-American is to make in Central America early in February. Government departments are to assist in making the arrangements for the survey, according to officials of the company....The start of the survey flight to determine the routes, terminals and equipment best suited for the proposed lines will be from Havana. The survey party will fly over Yucatan, British Honduras, Honduras, Guatemala, Salvador, Nicaragua, Costa Rica and Panama. The survey will not include South American countries, but the company contemplates a service to include several countries in South America...."

LINDBERGH FROM PANAMA — Col. Charles A. Lindbergh, writing from Panama to the New York Times to-day, says: "With the knowledge of flying conditions gained by the American Army aviators here, flying in Panama should not be very difficult. Flying down here from Costa Rica, I noticed several possible landing places, although much of the country between San Jose and Panama is broken and wild. Flying should be a quick and comfortable way of reaching the cooler and higher places in the interior that offer a change from the climate at sea level. It strikes me that Panama is located in a place that should make it a natural center of commercial aviation, as it now is the crossroads for shipping. When aviation has developed to that point, that may be expected, and when people realize its possibilities...."

FLOOD FINANCING — Col. Charles L. Potter of the Corps Engineers, president of the Mississippi River Commission, the principal Government agency in maintaining levee protection, testifying yesterday before the House committee on flood control, declared that the levee districts in the flood zones are, financially, "about at the end of the rope." If, as the President has urged, the districts are called on to help defray the cost of adequate protection, this means, Colonel Potter said, the failure of the flood control program. (Press, Jan. 10.)

WHOLESALERS' CONFERENCE — A call for a national wholesalers' conference, to be held at Washington, February 14 and 15, for the purpose of determining what part wholesaling plays in the changing economy of distribution, was issued Jan. 8 by the Chamber of Commerce of the United States. The meeting will bring together outstanding business men in the wholesale field, representatives of all the more important trades and economists to discuss problems affecting wholesaling and to map out a general program for the improvement of conditions in this branch of distribution.

Section 2

Boulder Dam Bill

The reports of the advisers on the new Swing-Johnson Boulder Canyon Dam bill are summarized by the press of Jan. 9 as follows: "Indorsement of the project is contained in the Garfield report, which also urges its immediate construction, primarily because of flood menace to the Imperial Valley. It holds that the Federal Government has the right to proceed. The Scrugham report, while urging immediate action, deals largely with the power to be developed, and suggests a plan for allotment of power which he believes would be approved by Arizona, Nevada and private power interests. While recognizing the need for flood protection, Governor Emerson insists that the Colorado River compact should be ratified by all seven States before the proposed legislation is enacted. Engineering features stand out in the Durand report, which emphasizes the flood danger and declares that the All-American Canal, which its proponents hold would relieve the Imperial Valley from dependence upon Mexico for water, is not only an urgent need, but that it could be constructed for considerably less than the Government's estimate of $31,000,000."

Farm Prices and the Value of Gold

Prof. John R. Commons, University of Wisconsin, is the author of a 15-page article under this title in January North American Review. In the public discussion of the so-called "Farm Relief" problem, the effect of changes in the value of gold upon farmers' prices has been overlooked, according to Professor Commons. Price is the gold value of an arbitrary unit of the specified commodity in exchange for an arbitrary unit of gold. Individual prices do not move up and down uniformly with the movement of the average of all prices, and herein lies the problem of farmers' prices. The total grand value of the farmers' crops is the product of the quantity produced, multiplied by the gold unit of that quantity. In general, a larger crop brings a low price and a short crop a high price, so that the total gold value of the crop does not change uniformly with changes in the gold value of a unit of the crop. This depends upon the law of supply and demand of the particular commodity relative to supply and demand of other commodities and of gold. But this law of supply and demand is commonly spoken of as though the value of gold remained stationary. This error is serious, because gold is not only the common measure of the value of commodities but is also the legal tender instrument through which the law of supply and demand operates. While farmers' gold prices have been moving in this erratic way, the gold prices of manufactured products and of non-agricultural raw materials have been relatively stabilized. The farmer has not obtained the power of collective control and so is exposed to the danger of excessive crops and changes in the value of gold. Professor Commons suggests control of credit by agricultural interests by manipulation. One half of the world's monetary supply of gold is now owned by the twelve American Reserve banks, he says. The Federal Reserve system has two instruments for controlling the value of gold. It can change the supply of credit by open market operations, and it can change the price of credit by changing its rediscount rate. Instead of regarding it as an inflationary measure they might properly look upon it as a restorative measure, seeing that the delfation was caused by the system, and also knowing that the system has the power by selling securities and raising rediscount rates to check inflation when the desired level has been restored.

Fertilizer Grades

An editorial in Southern Ruralist for Jan. 1 says: "...The synthetic nitrate industry in Germany marks one of the world's greatest victories for agriculture, as well as one of the greatest instances of industrial progress. And it is out of this development and similar developments here in our own country that the change in fertilizer language has been wrought. Those great plants in Germany where hundreds of tons of pure nitrogen are turned out daily, in placing their wares on the market, describe them in the new language, using combinations like these: 30-15-15; 22½-15-15, and others as necessity demands. Fertilizer from these plants are coming on the American market in these grades. They were sold here last year. They were sold here during the present season, and will come in greater volume in 1928. Our own country is supplying a 48-13, as well as less concentrated mixtures, and it is prepared to meet almost any given set of figures combining the essentials of a highly concentrated complete fertilizer. These highly concentrated plant food combinations have made it commercially possible and commercially wise, both from the standpoint of agriculture and industry, to generally increase the total amount of plant food per ton of fertilizer placed upon the American market. And with this practice the fertilizer trade is in entire agreement. The abandonment of the low-content fertilizers is regarded generally as a distinct step forward for all concerned. All welcome the opportunity it opens up for the thousand and one economies both on the farm and in the factory that will come as a natural result..."

Gold Export

The press of Jan. 7 says: "The United States continues to ship gold to countries requiring larger stores of the yellow metal for currency rehabilitation, a total of $24,500,000 of such shipments being announced for Jan. 6. The largest shipment is one to the Bank of France, details of which were not made public, but which is believed to be the second consignment of $10,000,000 being taken by France to strengthen its reserves as a step preliminary to returning to a gold basis....Second in importance is a shipment of $6,000,000 to Brazil, which is the fourth large shipment made to that country..."

Highways

An editorial in Manufacturers Record for January 5 says: "Without improved highways, it would have been impossible for this country to make a record of progress never before equalled in the world's history. Good roads and motor vehicles have attained, in one generation, a commanding position in transportation and have become a tremendous factor in creating wealth. Motor vehicles and good roads revolutionized business methods, improved health conditions, shortened distance in time terms and opened up country districts, making smooth the way for progress. Also, good roads offer fire protection to rural sections, advance the cause of rural education, make library service available to remote sections, extend the trade territory of cities and towns, and form an important connecting link in national defense plans. This country has 3,006,000 miles of highways, of which 575,000 miles are surfaced. It has 23,125,000 motor vehicles, 80 per cent of all in the world....We must continue to invest heavily in good roads to maintain our motor vehicle transportation efficiency. With additional millions of motor vehicles in use in the next few years, our annual expenditures must be increased or the country's development will be hampered by transportation congestion, even now keenly felt in many sections which only a short while ago supposedly had facilities adequate for some time to come...."

Horses in Canada

Despite the increasing use of mechanical power in farm operation, the horse industry of Canada, which had been deemed in danger of extinction, is, in fact, thriving and the horse population constantly increasing, according to a bulletin recently issued by the Canadian Pacific Railway. In 1910, the bulletin states, there were 2,213,199 horses in Canada, and in 1916, despite the drainage of the war, 3,258,342. Between 1925 and 1926 the number of horses in the Dominion increased from 3,554,041 to 3,558,849, despite the number which left the country, the total value at the latter date being $254,675,000, an average of a little over $71 per head. Nearly all the provinces recorded increases in the period. In numbers Saskatchewan led with 1,195,877, followed by Alberta with 834,379, and thereafter Ontario, 529,659; Manitoba, 360,013; Quebec, 345,935; Nova Scotia, 55,471; New Brunswick, 53,159; British Columbia, 51,994, and Prince Edward Island, 32,357.

Meat Grading

An editorial in Western Breeders Journal for Jan. 1 says: "'Truth in meat' has long been a war cry in the Western Breeders Journal. Some time ago when the Government inaugurated its experiment in grading and marking of beef, the Journal was convinced that, though a step in the right direction, it would not be an entire success. Time has proved that it is not. There has been no steady growth in the number of carcasses graded and in some places the number is on the decrease. And there is no reason why this decrease should not continue. The packers themselves have never shown much enthusiasm for Government grading. They willingly grant the Government permission to pass on the healthfulness of the meat which is to be served out to the public, for it costs them nothing. But when it comes to the Government grading their meats and thus perhaps influencing their prices--the story is another one. The packers, therefore, do nothing to help along the cause of grading beef. The retailers, on the other hand, are not offering much support either. And their reason is a good one. The honest butcher who sells only graded meat has a hard time competing with the butcher who sells ungraded and tells his customers it is just as good and costs less. The public remains indifferent. They don't know very much about it at all, and the cheaper price is an attraction. Obviously the grading system is wrong. And it will not be right until all the good grades of beef are marked. Until then the consumer can not be expected to insist upon marked beef, for not until then will unmarked be known to be poor. Truth in meat must eventually prevail, but it is slow in coming and must have the support of the producers before it can be successfully established."

Newfoundland Paper Pulp

A St.John's, N.F., dispatch Jan. 9 reports that for the first time in the history of Newfoundland, pulp paper products have equaled the total value of the colony's fishing enterprises. In the year just closed, figures announced by the Government Jan. 8 disclosed, the two industries produced approximately $15,500,000 each.

Population Increase

Thomas Nixon Carver, Professor of Political Economy, Harvard University, writes on the problem of increased population in The Magazine of Business for January. In agriculture most of our mechanical devices thus far have merely had the effect of enabling one man to cultivate more acres, the author finds. This has facilitated the first great extrication from want, namely, migration, or colonization. Only

a little has been done as yet in the direction of enabling more people to live on the produce of a given area. Deep-tilling machines have done a little in this direction, but the principal increase in the food-producing capacity of an acre of land has been the result of the discovery of new and heavy-yielding crops such as Indian corn and the potato, and of chemical fertilizers. Obviously this is no final evasion of want. If population continues to increase, food must be drawn from wider and wider areas, and there is a limit to that. The time is a long way in the future when it will be impossible to expand territorially and get our subsistence from wider and wider areas, but since the problem of population must eventually force itself upon the world it is well to begin studying it now. The struggle among races for the expansion of territories will eventually result in the extermination of all the weaker races and the peopling of the earth by the stronger. We should, then, if we desire that our race should be the survivor, give attention to the question, "What are the factors in the power of survival?"

Section 3

MARKET QUOTATIONS

Farm Products Jan. 9: Grain prices quoted: No.1 dark northern spring Minneapolis, $2.47 to $2.63. No.2 red winter Chicago $1.38; Kansas City $1.44½ to $1.46. No.2 hard winter Kansas City $1.39 to $1.45. No.2 hard winter Chicago, $1.29 to $1.30. No.3 mixed corn Chicago, 85½¢; Minneapolis 76 to 78¢; Kansas City 75 to 78½¢. No.3 yellow corn Chicago 85 to 86¢; Minneapolis 83 to 84¢; Kansas City 79 to 81¢. No.3 white oats Chicago 53¾ to 56¢; Minneapolis 51 1/8 to 53 1/8¢; Kansas City 52½ to 56¢.

Steers good and choice, $14 to $18. Cows, good and choice, $8.50 to $11.25. Heifers, good and choice, $11.25 to $13.75. Vealers, good and choice, $12. to $14, feeder and stocker cattle steers, good and choice, $9.75 to $12, hogs, heavy weight, good and choice, $8 to $8.65, lambs, good and choice, $12.65 to $13.65.

Closing prices on New York butter: 92 score, 50½¢; 91 score, 49½¢; 90 score, 48¢.

Wholesale prices of No.1 fresh American cheese at New York were: Fresh cheese no prices quoted. Held cheese: Flats 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢.

The average price of Middling spot cotton in 10 designated markets declined 5 points, closing at 18.99¢ per lb. On the same day in 1927 the price stood at 12.58¢.

Maine sacked Green Mountain potatoes sold at $2-$2.25 per 100 pounds; mostly $1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites, $1.50-$1.65 carlot sales in Chicago; $1.30-$1.35 f.o.b. Waupaca. New York and midwestern sacked yellow onions ranged mostly $2.25-$2.75 per 100 pounds in leading markets; $2.25 f.o.b. Florida pointed type cabbage brought $1.75-$2.75 per 1½-bushel hamper in a few eastern cities. New York Danish type $14-$25 bulk per ton in terminal markets; mostly $9 f.o.b. Rochester. New York Rhode Island Greening apples sold at $8.50-$9 per barrel in New York City; Virginia Yorks $7-$7.50. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 8 Section 1 January 11, 1928.

THE PRESIDENT ON SHIP SUBSIDY The press to-day reports: "President Coolidge yesterday took a position in favor of Government subsidy for an American merchant marine and for the sale of the Government-owned and operated fleet under a guarantee of maintenance of the necessary trade routes. The President at the time he expressed his stand for a ship subsidy, was informally commenting upon reports that a proposal may be made by a syndicate to purchase the merchant fleet and indicating his opposition to the Jones bill for an extensive replacement program which would keep the Government in the shipping business. Asserting that he had no knowledge of the reports that proposals might be made by private interests to buy the Government fleet, he defined to callers his views on the shipping question. Mr. Coolidge's policy has been for the speedy sale of the ships and Government retirement from the shipping business, as far as possible when assurance is given that trade routes necessary to American business will be maintained...."

BREAD REPORT A pound loaf of bread cost the American family 8.55 cents over a three-year period recently studied by the Federal Trade Commission, with the farmer who raised the wheat receiving 1.15 cents and the baker 5.11 cents of the amount. With nearly half the bread now consumed in the United States produced by commercial bakeries, and with three companies controlling about 20 per cent of that output, the commission found competition was keen, although price-cutting wars had resulted in price fixing agreements in some cities. The report of the commission, prepared for the Senate and made public to-day, said it had been observed that where restraining influences on competition were found indications frequently pointed to activities of national, district or local associations or clubs of bakers or millers. These associations, it was added, are prominent in price-fixing activities. Wholesale bread prices have shown a pronounced decline from the high levels of 1920, with prices in a general way following the trend of flour prices during that period, the commission noted. It further observed "abundant potential competition" in the flour milling industry, but there were frequent efforts to limit production among millers by agreements and understandings to sell at a profit," as well as by exchange of information on selling prices and by other means. Fifty-seven companies, operating 278 bakeries, manufactured 30 per cent of the amount of commercial bread produced in the United States in 1925, the commission reported. The Ward, General and Continental corporations, it was established, conduct close to 150 bakeries with an estimated output of almost 20 per cent of the total commercial bread production in the United States. Profits of wholesale bakers were comparatively high in the six years from 1920 through 1925, the report stated. The rate of return on the total baking investment, as shown by the companies' books or as reported to the commission, was 14.90 per cent, and the investment, as revised by the commission to eliminate intangibles and appreciation, averaged more than 25 per cent. In a table showing the distribution of the 8.55 cents paid out by the American householder for his pound loaf, the commission revealed that the miller received the smallest share, 0.41 cents, with the grocer getting 1.28 cents and the railroads and other handlers 0.60 cents. (Press, Jan. 11.)

Section 2

Apple Specialization

An editorial in New England Homestead for Jan. 7 says: "The extension service of our New England colleges is in line with the trend of the times when it asks New England apple growers to concentrate their efforts on seven varieties that have proved themselves most adaptable to New England cultural conditions and market requirements. Specialization is the keynote of the day. If New England orchardists bend their efforts to produce for large commercial marketing but seven varieties of apples they can build for New England a reputation as one of the leading apple sections of the country. Of course a certain amount of the varieties of minor importance will always be grown here, for there is a limited market in local communities for these odd kinds. But let our major efforts concentrate on the seven varieties as suggested by the college extension service. By so doing the problems of marketing will be lessened, competition in markets will be reduced, and the confusion that results from a large number of varieties will be largely eliminated. It is a plan that will benefit all New England apple men as a whole. It is in line with the union of effort and interest that agriculture, business, and industry is attempting to accomplish through the New England council."

Boys' and Girls' Club Work

An editorial in The Oregon Farmer for Jan. 5 says: "How long will it be before boys' and girls' club work becomes a part of the public school system? This is a rather hazardous question to put before old-time educators and present-time public schools. There is no intention here of entering into the relative merits or demerits of the 4-H club as a part of the district school. However, it is interesting to note that club work was a leading topic of conversation during the two days of the annual Oregon State Teachers' Association at Portland last week...."

Chain Store Idea in New England

An editorial in New England Homestead for Jan. 7 says: "Chain stores are becoming an increasingly important factor in the retail trade. The way in which they are modifying old methods of distributing milk to consumers has become notorious of late. Chain stores also are 'demoralizing' the bakery trade, since one bakery now supplies hundreds of chain stores with a large loaf that is sold at a cut price. These stores sell milk and bread at the lowest possible price to attract trade for their other goods. This is only one of several changes that are occurring in distribution and marketing, not only of foods, but in other lines of trade also. The very latest scheme is to put the chain store on wheels. A miniature store completely stocked with milk, cream, ice cream, bread and groceries drives through the street, stops at each house selling and delivering to the housewife almost everything she wants. It is not unusual for the store on wheels to sell out most of its stock two or three times in a single day. Out in New York State the farmers' enterprising cooperative, known as the Grange-League Federation, after some years of success in supplying dairymen with feed in carlots direct to its members, is now going a step further by starting the chain store idea....Like chain stores in cities the G L F service store in a country village or crossroads carries a varied assortment, but only a small stock, which is replenished by the G L F as often as may be. In this way farmers may save 6, 8, 10 per cent or even more upon the purchase of certain necessities, compared to the old-fashioned method of retail buying on credit. Each G L F service

store company is able to pay cash for what it buys, by discounting its notes for a strictly limited amount through the G L F central with the Federal intermediate credit bank. Should these rural service stores prove successful, the idea may be applied in New England...."

Compulsory Farming

An editorial in The Michigan Farmer for Jan. 7 says: "Here is a suggestion on how a better understanding between country and city might be brought about. Doctor Browne, Chief of the United States Bureau of Chemistry, put forth the idea of compulsory service on farms. Require, says the Doctor, that every citizen spend two years of his life upon a farm. This would furnish a far greater assurance of the welfare of the country than two years of compulsory military training, it would give the needed discipline in economy and thrift, and a first hand understanding of the basic elements of our national prosperity. Of course, Mr. Browne does not expect that his suggestion will ever be tried out, but he used the illustration to emphasize the importance of agriculture in any preparedness program."

Cotton Decline in Texas

An editorial in Farm and Ranch for Jan. 7 says: "Those who broadcast to the world that Texas is the greatest cotton-producing State in America have reference only to the total number of bales. They put on the soft pedal when some other person makes mention of the vast acreage required to produce the 4,280,000 bales credited to the State in 1927. As a matter of fact, Texas is next to the poorest cotton-producing State in the Union, only one State producing a lower yield to the acre, and that is Florida, credited in 1927 with a production of 122 pounds of lint cotton per acre as against 126 pounds for Texas. It took approximately four Texas acres to produce a bale of cotton in 1927, and Farm and Ranch is of the opinion that even at 20 cents per pound, returns on the average were not sufficiently large to pay more than the cost of production. The declining acre yield of cotton in Texas, in a large measure, is due to the prevalence of root rot and depredations of insects. Single cropping and lack of intelligent crop rotation are responsible for root rot, or at least aggravate the trouble, and a weak plant seldom puts on more than enough squares to feed the weevils. A change of program is absolutely necessary if Texas is to continue in the cotton industry...."

Freight Rates

In an address at Des Moines, Jan. 9., James E. Gorman, president of Chicago, Rock Island & Pacific Railroad, declared he was not worried in the least over the decrease in passenger traffic occasioned by the general use of automobiles and improved highways. No one would welcome a way to reduce freight rates for farmers any quicker than he would, he said, but he was convinced such a cut was impossible. "A reduction of any appreciable size to the farmer would jeopardize the road's position and throw it into bankruptcy with the first bad year," he said. "The same thing would happen to any other midwestern line which depends upon agricultural freight. A reduction in the end would be bad for the farmer." Raising other rates to offset the loss is also an impossibility, he said, emphasizing the fact that he had made a study of the situation for years. Speaking on Iowa, Mr. Gorman said the outlook for 1928 is bright for the State. "Iowa, according to reasonably accurate data, will send to the principal livestock markets 10,000,000 hogs, 2,000,000 cattle and calves,

and 900,000 sheep in 1928," he continued. He pointed out that Iowa is building up a great dairy district in the northeastern section, from which dairymen are shipping much of their milk to the great cities daily in glass lined tank refrigerator cars, in addition to daily carload shipments of sweet cream, much of which goes to the Atlantic seaboard. (Press, Jan. 10.)

Gold

There is a possibility of releasing more than $4,000,000,000 of gold from the monetary reserves of the world for future growth of credit through further economies in its use for monetary purposes, according to R.V.Burt of the Bankers Trust Company, writing in the current number of Investments, the company's monthly publication. Mr. Burt estimates that the total average annual increase required in gold reserves against deposits and currency is about $392,000,000. He says: "In regard to increased gold supplies, according to Mr.Joseph Kitchin, the manager and director of the Union Corporation of the Transvaal and the leading authority on gold production, the gold mines of the world have produced an annual average of about $366,000,000 in gold since 1918. There seems to be little possibility on the basis of known deposits of increasing this amount. Over half of the present output of gold comes from the mines in the Transvaal, which Mr.Kitchin believes have about reached their peak of production. While the Canadian gold output has increased somewhat in recent years our own output has declined materially. These three countries represent about three-quarters of the present world production, with no new gold fields of importance in sight....."

Tariff on Farm Products

An editorial in Pennsylvania Farmer for Jan. 7 says: "The signs indicate that farmers in general are undergoing a change of attitude towards the tariff....Thus it would appear that the drift is in the direction of home markets for all the products of American farms. When, and if, that time comes there will be no exportable surplus to drag down home prices, and high tariffs on farm products will do for the farmer what they have done for manufacturers in the past. The question to think about is: Will the American consumers permit that policy in relation to agriculture, or will they do as did England a hundred years ago,--sacrifice agriculture in the interest of industrial production?"

Volume Production

An editorial in Modern Miller for Jan. 7 says: "John Sherwin, president of the Union Trust Co., Cleveland, is the latest to challenge the soundness of volume production as a stand-up policy. In an article in Nation's Business, Mr. Sherwin says a number of things which fit conditions within the milling industry. He says: 'We have at this time excessive productive capacity in many lines of business. Everywhere, on the part of producers, there is evident the tendency to strive after volume, even if the resulting product must be disposed of at ruinous prices. We need look no further than at some of the great basic industries. Huge overproduction in the petroleum industry, the depression level of prices in the iron and steel industry, and the conditions in the bituminous coal industry are symptoms of this difficulty. Curiously enough, much of the increase in productive facilities has been the outgrowth of the very competitive condition which it has aggravated.' Mr. Sherwin takes a rap at the idea of schemes to enlarge consumption of a product as a means to absorb the output of volume producers. He says that high pressure advertising campaigns and installment selling to increase consumption is not a cure..."

Section 3
MARKET QUOTATIONS

Farm Products Jan. 10: Grain prices quoted: No.1 dark northern spring wheat Minneapolis $1.56½ to $1.62½. No.2 red winter Chicago $1.36½; Kansas City $1.43½ to $1.46. No.2 hard winter Kansas City $1.38 to $1.44; No.3 mixed corn Chicago 85¢; Minneapolis 75 to 77¢; Kansas City 74 to 78½¢. No.3 yellow corn Chicago 86¢; Minneapolis 82 to 83¢; Kansas City 78 to 81¢. No.3 white oats Chicago 53½ to 56¢; Minneapolis 50½ to 53¢; Kansas City 52½ to 55½¢.

Livestock prices at Chicago: Steers, $14.25 to $18.60; cows, good and Choice, $8.50 to $11.25; heifers, good and choice $11.25 to $13.50; vealers, good and choice, $12 to $14.50; feeder and stocker cattle steers, good and choice, $9.75 to $12; heavy weight hogs good and choice, $7.90 to $8.45.

New York sacked Round White potatoes sold at $2-$2.10 per 100 pounds in a few markets; mostly around $1.75 f.o.b. Rochester. Maine sacked Green Mountains brought $2-$2.25 in eastern cities and $1.50-$1.55 f.o.b. Presque Isle. Northern sacked Round Whites sold at $1.50-$1.65 on the Chicago carlot market and at $1.30-$1.35 f.o.b. Waupaca. Best New York and midwestern yellow onions brought $2.50-$2.75 sacked per 100 pounds in consuming centers; $2.25-$2.50 f.o.b. Florida pointed type cabbage ranged $1.75-$2.75 per 1½-bushel hamper in eastern cities. New York Danish type $15-$25 bulk per ton in terminal markets; mostly $9 f.o.b. Rochester. New York Baldwin apples sold at $6-$6.50 per barrel in New York City; Rhode Island Greenings $8.50-$9.

January future contracts on the New York Cotton Exchange declined 5 points to 19.05¢, and on the New Orleans Cotton Exchange they were down 11 points, closing at 18.88¢. On the Chicago Board of Trade January future contracts declined 12 points to 18.98¢. The average price of Middling spot cotton in 10 designated markets declined 8 points to 18.91¢ per lb. On the same day last season the price stood at 12.58¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 50¢; 91 score, 49½¢; 90 score, 48¢. No wholesale prices quoted on No.1 fresh American cheese at New York. Held Prices: Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 9 Section 1 January 12, 1928.

GOVERNMENT RETIREMENT LEGISLATION

Creation of a commission of five to study the subject of civil service retirement probably will be authorized by Congress in the near future. A bill providing for such a commission already has been introduced by Representative Madden, of Illinois, chairman of the House appropriations committee. The commission would be composed of one senator, one representative, one representative of the Executive branch of the Government, and two persons not connected with any branch of the Government. It would make a thorough study of the retirement situation and would report back to Congress, suggesting whatever changes it believed necessary in the retirement laws. It would have $5,000 for expenses. Bills have been introduced by Representative Lehlbach and by Senator Dale, of Vermont, chairman of the Senate civil service committee, which would increase the maximum retirement annuity from $1,000 to $1,200 and would make retirement optional after 30 years' service.

BORAH ON FLOOD POLICY

Senator Borah yesterday voiced his opposition to the administration's flood control policy, whereby the local communities would have to pay 20 per cent, according to the press to-day.

ZABRISKIE SUGAR INSTITUTE HEAD

A New York dispatch to-day reports that George A. Zabriskie, war-time chairman of the Sugar Equalization Board, yesterday became executive head of the American sugar refining industry. His acceptance of a position in the directorate was announced by the newly organized sugar institute. His duties, in effect, will be to organize the work of the institute as a clearing house of methods, statistics and ethics for the sugar industry. The new executive already is president of the United States Sugar Association, an organization of the raw sugar producers.

COTTON MEETING

A New Orleans dispatch to-day states that a plan providing for withholding the surplus crop from the market until the price should provide a "reasonable profit" and to reduce acreage whenever a surplus was grown, was adopted unanimously at New Orleans yesterday by a meeting of southern cotton farmers, held under the auspices of the American Cotton Association. The plan, which was submitted by Col. Harvie Jordan, of Greenville, S.C., manager of the better farming campaign of the American Cotton Association, provided that administration of the plan should be carried out by a chairman and vice chairman in each county and that expenses should be provided by levying 10 cents a bale on the cotton and $10 a year on banks handling loans to producers.

LOCUSTS IN EGYPT

A Cairo dispatch to-day reports that Egypt is threatened with a serious invasion of locusts, which the Government is taking active measures to combat. All desert-going automobiles have been requisitioned and the British Air Force is lending assistance in the campaign of destruction in which the Government will use poison gas.

Section 2

Business Forecasts

Virgil Jordan, Chief Economist of the National Industrial Conference Board, says in Commerce and Finance for Jan. 11: "The chorus of confused counsel and forecast concerning the outlook for 1928, which has been forthcoming from economists, public officials and business men during the past few weeks, should convince any sensible person that the future of American business, thank Heaven, does not depend upon official, academic or other expert opinion....If one takes a common sense and realistic view of the business conditions since 1922, it is quite plausible to look for a marked expansion in general trade during 1928. Consider these factors: First, there are signs that the general world-wide price deflation has been at least temporarily halted and that there may be an upturn in the near future. Second, wage levels appear to have been stabilized at a point where they are not likely to rise very much in view of prices and costs in manufacturing industry, or to fall very much in view of the necessity for volume consumption and the large installment commitments of wage earners. Third, reduction of business taxes is in prospect. Fourth, there is a sustained and increasing volume of borrowing for engineering construction work which tends to offset the decline in residential building. Fifth, the agricultural purchasing power has materially increased during 1927. Sixth, the intensive utilization of existing railway facilities and equipment has reached a point where it will be impossible much longer to postpone the purchasing of equipment and supplies necessary to cope with the considerable increase in railway traffic to meet expanding business demands. Seventh, the postponed demand in the automobile market will be released during 1928."

Foreign Trade

The volume of imports of raw silk and crude rubber continued to break all existing records during the first nine months of 1927, as shown in a bulletin, "Our World Trade," just issued by the foreign commerce department of the Chamber of Commerce of the United States. It is pointed out that "at an average import price of $5.38 a pound, 59 cents lower than the average a year ago, we imported 55,831,000 pounds of raw silk, valued at $300,487,000, during the first three quarters of 1927, an increase of 20.7% in quantity and 8.8% in value. The quantity brought in during the nine months exceeded that of any full year prior to 1925. The average import price of crude rubber during this three-quarters of 1927 was 37 cents a pound, a decline of 23 cents below the average a year ago. During the nine-month period we brought in the enormous amount of 731,911,000 pounds, valued at $268,102,000, a gain of 6.4 per cent in volume, but a decrease of 35 per cent in value, comparing the nine months of 1927 with the corresponding period of 1926. The quantity imported in these three quarters of 1927 was greater than for any entire year prior to 1924. The price of sugar rose in 1927, the average import price for the first nine months of 1927 being 3.11 cents a pound, or 28 per cent higher than the 1926 price of 2.42 cents a pound. With the import price of sugar somewhat higher than a year ago imports amounted to six and three-quarter billion pounds, a decline of more than half a billion pounds below receipts last year. The value, however, was $210,476,000, 19.6 per cent higher than imports for the corresponding period of 1926. On the other hand, the average import price of coffee was nearly three and one-half cents lower than in 1926; but despite the drop in price, the demand also fell off, importations of coffee during three quarters of 1927 amounting to 1,008,000,000 pounds or 68,000,000 below last year's figures. The value declined

20.7 per cent to $188,469,000. Noteworthy increases in value for the January-September period of 1927 included furs 25.9%, leaf tobacco 26.8%, cocoa beans 39.6%, leather 26.6%, cheese 30.5%, spices 25.3%, edible olive oil 40.7%, pulpwood 27%, rayon 29.2%, and meats 56.2%."

Grain and Freight Rates

An editorial in The Wall Street Journal for Jan. 11 says: "In introducing a resolution which would direct the Commerce Commission to make freight rates favorable to American wheat exports, Senator Capper has put his finger, none too gently, on an admittedly sore spot in the farm situation. It is true that grain rates are substantially lower in Canada than in the United States; it does not follow that a Caesarian operation on the railroads is the remedy. Grain rates in the United States are already the subject of an exhaustive investigation by the commission under the Hoch-Smith resolution. The commission appears to take that enactment seriously; that is, it feels obliged to seek grounds for reducing rates on farm products in accordance with the mandate that 'depressed' industries shall be favored to the extent that existing rate law allows. The Hoch-Smith resolution was passed three years ago this month. Under it the commission has undertaken rate investigations divided into eleven parts and dealing with nine groups of commodities, besides class rates in the Middle West. Thus it happens that the commission is already looking into grain rates, both domestic and export. Senator Capper would direct the commission to make such rates as 'will permit grain and grain products produced in the United States to move as freely as grain produced in the Dominion of Canada' to points of export....Canada ordinarily raises several times as much wheat as it can use. It is obliged to ship from two-thirds to four-fifths of its crop to other countries. If we should undertake to compel our railroads to carry grain as cheaply as do Canadian roads, regardless of cost of transportation, it is far from a certainty that the Canadian rates would remain where they are. One of the two railways of Canada already leans heavily on the national tax budget....The commission has taken 15,000 pages of testimony on grain rates and the record is not yet complete. What is likely to happen, though not particularly as a result of the Capper resolution, is that grain rates in the United States will undergo some reduction, even though the agricultural depression is less acute than it was three years ago, or even a year ago. Then the railroads, particularly those of the West, will perforce trim their expenditures for labor and materials accordingly. What the farmers gain through lower rates, if anything, they will lose through reduced purchasing power of the home markets."

French Currency Exports

A Paris dispatch to the press of Jan. 11 states that France achieved practical stabilization of her currency Jan. 10 when the Government lifted the embargo on the export of capital in exchange operations and the import of foreign securities into France.

Legislation for Rubber Pool

National legislation to permit American firms to form a pool for the purchase of rubber as a means of fighting foreign monopoly was indorsed at the semi-annual meeting of the directors of the American Automobile Association at New York yesterday. It was represented by various speakers that unless something of this nature was done, the foreign rubber monopoly would cost citizens of the United States many millions of dollars. (Press, Jan. 11.)

Milk Permits An editorial in Dairy Produce (Chicago) for Jan. 3 says: "The Federal Import Milk Act that became a law in May last year, and since that time, because of the lack of money to install an inspection system, has been operating on temporary permits or licenses, will soon be operating on permanent permits. Congress recently passed the necessary appropriation and as soon as possible the machinery will be in motion that will require the carrying out of the law's provisions in all details. There has been no way to make sure that shippers under the temporary permits were carrying out all the requirements. Inasmuch as a permanent permit can not be issued unless supported by evidence of tuberculin tests, if raw milk or cream is to be imported, and physical examination of animals and sanitary inspection of dairy farms or milk handling plants, it would not be surprising if the temporary permits were inadequate. But in the meantime the United States Department has had time to arrive at a thorough understanding with the Canadian Department, insuring smooth working of the law under the permanent permits. It is interesting to note from our Washington advices that milk from Canada has been falling off of late, but there is an increase in the amounts of cheese from that country."

Motor Express Highways A dispatch from New Haven, Conn., Jan. 8 says: "A project for the construction of a Nation-wide chain of long-distance motor express highways has been put forward by the Union Highways Association of America. The idea is to have Congress assist in the financing, with the actual cost of the huge undertaking eventually met by toll collections. The leaders behind the movement are Lester P. Barton of Detroit; Wendell W. Chase of New York City, Vice president of the New York Automobile Club, a member of the city committee on plan and survey and president of the American Home Foundation, and Ernest P. Goodrich of New York City, consulting engineer on traffic of the regional plan of New York and its environs. A congressional appropriation for one-third of the proposed bonds will be sought, with leading bankers of the country backing the remaining two-thirds of the bonds. Forty-two motorways are tentatively planned in the program which would link practically all leading American cities with those of Canada and Mexico on a scale not even approached in magnitude by the railroads which now traverse the same territory...."

Turkey Branding The Idaho Farmer for Dec. 29 says: "...County Agriculturist McConnell of Gooding, who has made a great success of lamb pooling, has worked out a more extensive plan for turkey marking; one which, if entirely carried out, seems to offer security against thefts, unless the turkeys are carried outside of the State before being sold. Briefly, Mr. McConnell's idea is to use the tattoo system now in vogue with the breeders of registered cattle, especially the dairy breeds. At the bend of the wing of each turkey is a stretch of skin practially bare of feathers until a bird is several months old, and is never very heavily feathered. A 'brand' put in this piece of the bird's skin would never come off, and this would deter thieves from trying to operate...."

Section 3
MARKET QUOTATIONS

Farm Products Jan. 11. Livestock quotations at Chicago: Steers, good and choice, $14.25-$18,65; Cows, $8.50-$11.25; Heifers, $11.25-$13.50; vealers, $11.50-$14.50; feeder and stocker cattle steers, $9.75-$12. Heavy weight hogs, $7.85-$8.40; light lights, $7-$8.10; slaughter pigs, $6.75-$7.50; slaughter lambs, $12.60-$13.75; feeding lambs, medium to choice, $11.50-$13.15.

Florida Bliss Triumph potatoes sold at $2.25-$3 per bushel hamper in city markets. Maine sacked Green Mountains brought $2-$2.35 per 100 pounds in eastern cities; $1.50-$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites, $1.55-$1.65 carlot sales in Chicago; $1.30-$1.35 f.o.b. Waupaca. Midwestern yellow onions sold mostly around $2.40-$2.75 sacked per 100 pounds in consuming centers; $2.25-$2.50 f.o.b. New York yellows $2.25-$2.75 in eastern cities; $2.25 f.o.b. Rochester. Texas domestic type cabbage sold at $3-$4 per barrel crates in a few markets. Florida pointed type $2-$2.50 per 1½-bushel hamper. New York Baldwin apples brought $6-$7 per barrel in New York City; Pennsylvania Yorks, $6.75.

Closing price of 92 score butter at New York: 49¢.

Closing prices of No.1 fresh American cheese at New York: Flats, 29-29½¢; Single Daisies, 29¢; Young Americas, 29-29½¢.

The average price of Middling spot cotton in 10 designated markets declined 7 points to 18.84¢ per lb. On the same day one year ago the price stood at 12.77¢. January future contracts on the New York Cotton Exchange declined 6 points to 18.99¢, and on the New Orleans Cotton Exchange they were down 8 points, closing at 18.80¢. On the Chicago Board of Trade January future contracts declined 13 points, closing at 18.85¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis, $1.57 1/8-$1.63 1/8; No.2 red winter at Chicago, $1.39½; Kansas City, $1.44-$1.46½. No.2 hard winter, Chicago $1.28½-$1.29; Kansas City, $1.24-$1.26. No.3 mixed corn, Chicago 84¾¢; Kansas City 74½¢-78½¢. No.3 yellow corn Chicago, 87¢; Minneapolis 84¢-86¢; Kansas City, 78¢-81¢. No.3 white oats Chicago 53¾¢-55¢; Minneapolis, 51-53½¢; Kansas City, 52½¢-55½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 10 Section 1 January 13, 1928.

HIGHWAY FINANCING A Cleveland dispatch to-day reports: "Borrowing needed money at the lowest possible interest and the retirement of bonds in the shortest possible time were advocated as the best method for financing highway construction by John J. McHugh, secretary of the Association of Chosen Freeholders of New Jersey at the American Road Builders' Convention at Cleveland yesterday. Addressing county officials from all over the United States who control 90 per cent of the Nation's roadways, Mr. McHugh stated that the preservation of roads now in use and the construction of new highways depended almost entirely upon these officials' knowledge of materials and costs..."

LINDBERGH ON PANAMA AIR SERVICE Col. Charles A. Lindbergh, in his letter from Colon to the New York Times to-day, says: "I am impressed with the importance of the establishment of a commercial air line between the United States and Panama as an auxiliary to the shipping using the canal. Mail from the United States could connect with ships at the canal and this would often save weeks in transit time. Another important point is the fact that shipping documents that miss a ship while the cargo goes forward could be sent by airplane to catch the ship at the canal. This would make possible the landing of cargo up to the minute the ship sails without regard for the completion of shipping documents, which often results in considerable delay. Over 6,000 commercial vessels passed through the canal last year. An air mail service would be of great benefit to this great volume of shipping. Any speeding up of communications is of help to the transportation business generally."

NEW YORK COTTON EXCHANGE A New York dispatch Jan. 11 reports that the board of managers of the New York Cotton Exchange Jan. 10 called a meeting of exchange members for February 6, when a new plan for a southern delivery contract will be considered. The plan proposes that deliveries of cotton be made at four southern ports: Norfolk, New Orleans, Galveston and Houston, and would exclude deliveries at New York, Samuel T. Hubbard, jr., president of the exchange, announced he was opposed to the new plan.

ENGINEERS ON BOULDER DAM The press of Jan. 12 reports that opposition to the expenditure of Federal funds for the Boulder Dam project, on the ground that it involves Federal ownership and sale of power, was expressed in resolutions adopted Jan. 11 at Washington by the American Engineering Council at the final session of its two-day conference. The council voted its disapproval of the Swing-Johnson bill, which provides for the construction of works for the protection and development of the lower Colorado River basin, especially the provision establishing the "Colorado River dam fund." The bill of Senator McKeller, to establish the Muscle Shoals Commission, was likewise disapproved by the engineers.

Section 2

Airplane Service — A prediction that planes on various air transport lines in the United States will cover 24,500 miles daily by July 1 was made to President Coolidge Jan. 11 by the board of governors of the Aeronautical Chamber of Commerce of America, which paid its annual visit to the White House. The chamber, the President was told, expects to support all proposals for extending the air mail system and will direct its attention especially to the development of a service between the United States and the Canal Zone. In addition to suggesting that the Weather Bureau thoroughly investigate along what channels it can be of use to aviation, the report declared that it would be wise for Congress to make appropriations for two new airships. (Press, Jan. 12.)

Bank Resources — Aggregate resources of $1,682,802,851, a figure never previously approached in the annals of American banking, were reported Jan.10 by the National City Bank of New York as of Dec. 31, 1927.

British Farm Problems — An editorial in Country Life (London) for Dec. 31 says: "There is no subject which attracts more attention at the present time than that of present farming difficulties. It has been the subject of much comment in every daily newspaper, and during this last week has been once more discussed in the House of Commons....One has to recognize, however, that the present burdens are not equally shared. Whereas some are suffering little, others are suffering acutely. The extensive arable farmer who was able to accumulate considerable reserves during the war has had something to fall back upon in the present adversities. It is said that these reserves have been eaten up, which is in many cases true, and particularly so if there has been no change in the methods of farming. The present economic situation demands drastic changes, and some farmers have looked ahead with conspicuous success. There are two classes of agriculturists who have been particularly hard hit, viz., the man who bought his farm during the inflated price period and who had to borrow money to complete his purchase, and who is now faced with an almost overwhelming task of making the equivalent of two rents to pay mortgage charges; the other is the case of the man who started farming during the boom years, and who immediately experienced the full force of the deflation which followed. Losses of this character can not be wiped off, by reason of the fact that a great many people start farming with borrowed capital....The House of Commons debate on agriculture did not unfold any new or practicable proposals for remedying existing evils. Mr. Guinness undoubtedly leans to the view that the duty of the Government is to help farmers to unravel the present tangles, but that future prosperity is largely in the hands of farmers as a body. The claims of safeguarding were plainly rejected, and with ample reason, and once again a plea was made for the need of a round-table conference comprising all shades of opinion and all the partners interested in food production.."

Egg Production In South — An editorial in The Progressive Farmer for Jan. 7 says: "In the Poultry Special a year ago, we mentioned the tremendous growth the poultry industry had made in the South. We also enumerated the many natural advantages our section offers which make profitable poultry raising possible. Growth this past year has been as great, if not greater, than in any previous year, and if increased incubator capacity is any index to future development, next year will show

another record. Probably the finest indication and greatest proof that our climate is inducive to heavy egg production will be found by examining records from last year's egg-laying contests. Of the twenty-nine egg-laying contests reporting, twelve are located south of the Mason-Dixon line. All but four of the thirteen contests having the highest average egg production are located in Dixie. One of the four outside of Dixie is located in the Middle West and the other three on the Pacific Coast. While southern contests are in the minority with only twelve out of twenty-nine, only three failed to get in the high thirteen class. Most of the western and eastern contests have been operating much longer than our southern contests and have a larger class of real breeders to obtain entries from....The contest records demonstrate conclusively that we can obtain heavy egg production in all sections of the South. Progressive farmers should think about this. If we can obtain more eggs than our northern neighbors, then there is no reason why we can not compete favorably with them. Let's not wait for northern farmers to come here to raise poultry for us, but let's produce enough for ourselves and a surplus for cash returns."

Farm Capital Values

An Urbana, Ill., dispatch to the Chicago Journal of Commerce for Jan. 11 says: "In an address to-day at the thirty-first annual farmers' week at the University of Illinois, M.L.Mosher of the College of Agriculture, asserted that depressed conditions of agriculture in 1925 and 1926 resulted in average farm lands in the East and central portions of the State having practically no capital value. He declared that surveys made by the college indicated that the gross average farm income has been enough to pay cash operating expenses, depreciation on buildings, fences and machinery, wages to labor and to owner and 6 per cent interest on the value of livestock, machinery and grain on hand. On the other hand, there was nothing left to pay rent, interest on capital invested in land and improvements which had an average pre-war sale value of $235 an acre."

Farm Relief

An editorial in The Wall Street Journal for Jan. 12, which reviews some of the farm relief measures now before Congress, says: "Farm relief is a term in many mouths, particularly the congressional, but who knows what it is, what the farmer's ailment is and what he needs? About a dozen different bills have already been introduced into Congress all prescribing for the supposedly sick farmer. Do the sponsors of these bills all know what is the trouble and what is needed?....If he is worthy of credit he can get it and if he will take advice he can get it from the Department of Agriculture."

Fertilizer Industry

An editorial in Southern Agriculturist for Jan. 1 says: "Great changes are taking place in the fertilizer world. The comparatively lower prices at which fertilizer can be bought, and the demand for increasing the efficiency of the agricultural worker, is making profitable a wider use of commercial plant food. Nitrogen can be used more profitably in the growing of lower priced crops, like corn, than it could fifteen years ago. A good deal of the cost has been removed from fertilizer to farmers by more intelligent buying. Direct buying has had its influence. Now the greatest need is for the securing of credit through banks so that fertilizers can be bought for cash from the sources that offer the best values. Fertilizer analyses are going

up higher than was ever dreamed of a few years ago....It seems almost certain that in a few years a farmer can bring to the farm one ton of fertilizer that will do the work that four tons of what has been called high grade fertilizer has been doing. This will certainly mean fewer trips to the railroad for his fertilizer, and will mean less bags, less tags, and less freight...."

Land Bank Assessment

The press of Jan. 12 reports that as one of the first steps to straighten the tangled affairs of the Farm Loan System, the Farm Loan Board Jan. 11 announced that, in accordance with the recommendation in the report of Howard Greene, receiver of the Bankers' Joint Stock Land Bank of Milwaukee, it has levied an assessment upon the shareholders of the bank for $1,200,000, or 100 per cent of the capital stock, to be paid by them ratably on or before March 1 and has directed the receiver to take all proceedings necessary. The board also has authorized the receiver to grant an extension of time, without interest, to any shareholder who pays 25 per cent of his assessment on or before March 1, and who gives a written obligation satisfactorily guaranteed to pay 25 per cent additional by April 1, 25 per cent by May 1 and 25 per cent by June 1. The receiver's report showed a deficit of $1,809,661.30 which exceeds the entire capital stock of the bank. He stated that many loans made by the bank were "based on inflated land values and were imprudent and excessive" and that many loans were made "upon lands that have no real agricultural value." The farm loans were in Minnesota and Wisconsin. Of the 2,059 loans held by the bank, the book value of which is $13,587,324.64, 416 are in default.

Rubber Reclamation in Britain

Seven companies are now engaged exclusively in the reclamation of rubber in Great Britain and some others are producing ground waste and hard rubber dust, the American commercial attache at London states in a recent report. Four or five other companies also operate reclaiming plants in the production of reclaims for their own use. The productive capacity of all the British reclaimers is estimated at between 9,000 and 10,000 long tons annually, and the present actual production is estimated to be between 5,500 and 6,500 long tons, two-thirds of which is consumed in the United Kingdom and the balance exported, principally to Europe. Reclaimed rubber is chiefly used by manufacturers of bicycle and motorcycle tires, perambulator tires, proofings for waterproof clothes, footwear, mechanical rubber goods, and, to a lesser degree, in automobile tires and inner tubes. With British rubber consumption approximating 40,000 long tons annually, the proportion of reclaimed to new rubber consumed is small compared with similar figures for the United States...."

Section 3

Department of Agriculture

An editorial in Ohio Stockman and Farmer for Jan. 14 says: "A conference on the 1928 corn borer program was held in Washington last week. Plans for research, quarantine and educational campaigns were discussed by scientists from fourteen States. The Department of Agriculture's work, as outlined by Dr. A.F.Woods, Director of Scientific Work, will fall into four groups including entomology, agricultural engineering, agronomy, animal husbandry, chemistry and soils and agricultural economics. These are all important and should be emphasized in the campaign against the borer. The matter of Federal appropriations for clean-up work was not taken up at this meeting, but is

expected to appear before Congress later, where it should receive favorable action."

Section 4
MARKET QUOTATIONS

Farm Products Jan. 12. Livestock quotations at Chicago: Steers, $14.25-$18.65; cows, good and choice, $8.50-$11.25; heifers, $11.25-$13.25. Vealers, $11.50-$14. Feeder and stocker cattle-steers, $9.75-$12. Heavy weight hogs, $7.85-$8.35; light lights, $7-$8.20; slaughter pigs, $6.25-$7.25; slaughter lambs, $12.50-$13.40 and feeding lambs, $11.50-$13.15.

Maine sacked Green Mountain potatoes sold at $2-$2.25 per 100 pounds in eastern cities; mostly $1.50 f.o.b. Presque Isle. Wisconsin sacked Round Whites, $1.50-$1.65 carlot sales in Chicago; $1.30-$1.35 f.o.b. Waupaca. New York and midwestern sacked yellow onions ranged $2.25-$2.75 per 100 pounds in consuming centers; $2.25-$2.50 f.o.b. New York Danish type cabbage brought $12-$25 bulk per ton in terminal markets; mostly $8-$9 f.o.b. Rochester. Florida pointed type sold at $2-$2.75 per 1½-bushel hamper in the East. New York Baldwin apples sold at $6-$6.50 per barrel in New York City. Michigan Baldwins $7-$8 in Chicago; Spys and Greenings, $9-$11.

Closing price of 92 score butter at New York: 48¢.

Closing prices on No.1 fresh American cheese at New York were: Flats, 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

Average price of Middling spot cotton in 10 designated markets advanced 19 points to 19.03¢ per lb. On the corresponding day in 1927 the price stood at 12.70¢. January future contracts on the New York Cotton Exchange advanced 19 points, closing at 19.18¢, and on the New Orleans Cotton Exchange they advanced 17 points to 18.97¢. On the Chicago Board of Trade January futures advanced 5 points, closing at 18.90¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.57-$1.63. No.2 red winter, Chicago $1.39; Kansas City $1.44-$1.47. No.2 hard winter Chicago $1.29; Kansas City $1.25½-$1.27½. No.3 mixed corn, Chicago 85½¢; Kansas City 76¢-79½¢. No.3 yellow corn 87¢; Minneapolis 84¢-86¢; Kansas City 80¢-83¢. No.3 white oats Chicago 54¢-55¾¢; Minneapolis 51¢-53½¢; Kansas City 54¢-56¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 11 Section 1 January 14, 1928.

THE PRESIDENT SIGNS D.C. LAND BILL — Plans further to beautify the National Capital received impetus yesterday from President Coolidge, who approved a bill authorizing $25,000,000 for the purchase of private property extending south of Pennsylvania Avenue, from the Botanic Gardens near the Capital to the Treasury at Fifteenth Street. The report states that as appropriations become available and the land is acquired, buildings, many of them unsightly, will be razed and a group of large structures for Government departments will be erected.

TARIFF LEGISLATION — The Senate yesterday agreed to vote on Monday on the McMaster tariff resolution, which seeks to have that body declare itself in favor of an immediate revision of the tariff by the present session of Congress. (Press, Jan. 14.)

The press to-day reports that while the Senate was agreeing yesterday to vote on Monday on the McMaster tariff revision resolution, there were definite indications in the House that a changing of rates would be demanded.

ASWELL RELIEF BILL — Representative Aswell, ranking minority member of the House agricultural committee, introduced a farm relief bill yesterday similar to the McNary-Haugen measure, except that it omits the equalization fee provision, according to the press to-day.

DAIRY CONGRESS — President Coolidge is authorized to accept an invitation from Great Britain to send delegates to the eighth international dairy congress to be held in London in June and July, in resolutions reported Jan. 12 to the House by its foreign affairs committee. An appropriation of $10,000 for expenses of the delegates was provided. (Press, Jan. 13.)

CHEMICAL MEETING CALLED — Leaders of the American chemical industry have been summoned to meet in Washington Feb. 16 to discuss with Government officials the situation they face as a result of progressing international combinations in their field, according to the press to-day.

RADIO TELEVISION TO HOMES — A dispatch from Schenectady, N.Y., to-day reports that a group of radio engineers and others at the General Electric Company's radio laboratories there yesterday witnessed the first demonstration of television broadcasting and gave the first absolute proof of the possibility of connecting homes throughout the world by sight as they have already been connected by voice.

Section 2

Airplanes in Reindeer Herding

A Vancouver, B.C., dispatch Jan. 13 states that airplanes are now used to herd vast numbers of reindeer on the big Arctic stock farms, according to Ralph Lomen, pioneer in the reindeer industry in Alaska. His head herdsman, Mr. Lomen said, recently accomplished in two hours as much work with a plane as would have required the services of seven herdsmen for a week. He did not explain the method of airplane herding. The report says: "Urging development of the reindeer industry on a large scale in Canada, Lomen declared there was room for 12,000,000 deer in the Northern Tundra. In Alaska there is room for 4,000,000 head, which number, he said, his company hoped to have within ten years and which would bring an annual revenue of $20,000,000."

Armour Income

"Further evidence of the disastrous effect on the packing industry of the decline in hog prices in 1927 is presented in the annual report of Armour and Company made public Jan. 11. The statement showed the smallest net income for any year since 1923, the first profitable year following the post-war deflation. The consolidated net income of Armour and Company of Illinois and its subsidiaries for the fiscal year ended October 29 was $538,175, after making allowances for depreciation, interest, taxes and all other charges, equal to 41 cents a share on the outstanding $130,817,000 combined preferred stocks of the parent company, Armour and Company of Delaware and the North American Provision Company, and to 75 cents a share on the $71,518,200 guaranteed 7 per cent preferred stocks of the Armour of Delaware and North American Provision companies: After the payment of preferred dividends there was a deficit of $8,630,339." (Chic. Jour. of Commerce, Jan. 12.)

Beane on Cotton Trade Methods

A.C.Beane of New Orleans, in a letter to Cotton Trade Journal (New Orleans) for Dec. 31, says:"....There is one condition therein that is not over frequently referered to, yet it directly exerts a most depressing effect upon the entire cotton trade. I refer to that peculiar philosophy which permeates the cotton textile world and manifests itself principally in bearish price utterances and pessimistic predictions. The cotton textile industry is one of the world's very largest, and it is perhaps the most inept of all the major industries in catching step with modern business thought. The industry apparently concerns itself principally with attaining mechanical efficiency. It makes no outstanding bid for new markets and its cry for a generation has been, 'We can not profitably manufacture goods at present prices of raw cotton.' At times this cry of 'wolf' is demonstrably not true, but most generally it is, for such expressions when played up by press dispatches to an unwarranted extent, as at the present time, result in a depressed cotton market and a marked cessation of buying by consumers generally. If the record of industrial achievement by this country within the past decade proves anything at all, it proves that increased distribution is the only natural accelerator of production. It proves that 'Salesmanship' can and does create a demand for a product where none existed....It is my belief that the philosophy of textile manufacturers is susceptible of being changed....Popularize the products of the mills; not merely infer that one brand of stockings is better than another. Teach the hundreds of millions of the world's population that common decency demands the use of clean handkerchiefs... and so on ad infinitum. A marvelous opportunity lies here for leaders of vision."

British Living Costs

The Scottish Farmer for Dec. 31 says: "Discussion has naturally been rife as to the future of British agriculture. One feature in post-war conditions has generally been ignored; we mean the enhanced cost of living universal among all classes. Few farmers to-day are content with the pony and trap which did duty alike for kirk and market in the days that were....To-day the farms are few on which there is not a Ford, and on many there will be found a more ambitious sample of the automobile. Being there and easy to handle, the car with the owner or his family is frequently on the road, and petrol and tires cost money. Not only does the Ford on modest computation entail a direct outlay of fully 100 pounds per annum, but it is the index to a considerable proportion of indirect expenditure undreamt of in pre-war days. Along with it has come a more luxurious method of living in every sense of the term, and therefore a greater draft on the agricultural exchequer. If the expenditure of the British farmer's overseas competitor had increased in equal ratio there would be some hope of the balance righting itself, but it is quite certain that this is not the case....This enhanced cost of living permeates the entire body politic, and to it must be attributed a large share of the difficulty facing the farmer when squaring accounts...."

Distribution

Dr. Julius Klein, Director of Bureau of Foreign and Domestic Commerce, is the author of an article under the title "The New United States of Business," in The Magazine of Wall Street for Jan. 14. He says in part: "...Economic America has been deeply engrossed in the fascinating pursuit of industrial perfection. So deeply engrossed that distribution has been relegated to a secondary place, even if a great one. Despite our wonderful technique of advertising, our high pressure and original selling methods and the excellence of the physical means of distribution, it has slowly dawned on us that the economies of production are outrunning those of distribution. We tend to make more goods than we can dispose of profitably. So the attention of the business world begins to shift toward improvement of distribution. We begin to perceive that old-fashioned distribution is inadequate for up-to-the-minute production. In 1925 our manufacturing industries produced $2,500,000,000 worth more of goods than in 1923 with 400,000 fewer workmen. The per capita output of each workman has increased 50 per cent in twenty-five years....We have gone mad on production, you would think, and yet we must keep on perfecting production; there is no turning back from that road. The only way out is to apply to the costs of distribution the same methods of efficiency that recently have accomplished such wonders in manufacturing....We have dressed up the old-time methods so that they look new and modern, but compared with production they are really primitive. We make goods with amazing precision, but when we come to sell them we take the old shotgun of our fathers and go out and blaze away in the general direction of the supposed markets. We are always ready to fall for any persuasive high-power salesman who comes along and hypnotizes us with a brand new scheme to encompass the national market....The national market is nothing but a national morass for most manufacturers who are charmed by the term. They don't weigh the costs of spreading out over a continent. In pursuing an impossible market they frequently overlook the fact that there may be a profitable market for their entire output within fifty miles of the plant....The stern necessity of confronting the inroads of narrowing profits is gradually resulting in our business leaders making up their minds to deal with distribution costs as drastically and thoroughly as they have with production costs...."

Game Wardens and Game Regulations

Paul G. Redington, Chief of the Biological Survey, is the author of an extended signed editorial entitled "Back Up Your Game Wardens" in Field and Stream for February. After citing various cases of death and threatened death to United States game wardens in the performance of their duty, the author says: "He must, however, continue to work under conditions that would be intolerable to a less courageous man. He lives in the knowledge that at any moment a bullet or a charge of heavy shot may reach him from some adder's den in the marshes. He is a target for the rifle of any pot-hunter who can way-lay him in the vast labyrinth of the river bottom. The recital of similar cases would serve no purpose here. These men, whether they are employees of State governments or of the Federal organization, are the infantry game-conservation forces. They are literally upon the firing line in the obscure, many-sided battle that is going on between those who believe in the perpetuation of wild life and the regulated sport of gunning, and those others--the pot-hunter, the market shooter and the dealer in illicit game--who would callously destroy the living resources entirely in order to fill their pockets with the silver of Judas, or to gratify a degenerate lust for killing. The sportsmen themselves, individually and collectively, have a responsibility to the honest game warden that they can not ignore or evade....Game-law enforcement is decried by some as futile, exasperating interference with personal privilege. The old question of control by State or Federal Government is introduced to confuse the issue; laws and regulations are debated heatedly and uselessly by this faction or that--and meanwhile men who serve the disputants in good faith and without fear or question are murdered in cold blood... It is cowardly to withhold from these men who are fighting conservation's battles our deserved support and sympathy....It is time to realize that the successful enforcement of sensible regulations to protect game is dependent upon the attitude of that part of the public interested in these things. Individually and through their organizations, the sportsmen should report violations, furnish evidence and stand with the wardens who are endeavoring to do their duties....Unity of thought and purpose among the right sort of Americans will remove these threats that, in some degree, menace every warden in the field. Such cooperation will insure adequate game-law enforcement and clear the field for progressive action in the way of restocking game covers, the control of vermin disease, and in the establishment of the essential game refuges. ..."

Industrial Civilization

Is industry a menace to civilization? asks Lucien Romier in the title of an article contributed to Le Capital (Paris). To which he answers in effect: To our old civilization, yes; for it is taking part in a revolution which is changing that civilization to a new one. The new civilization should recognize industry as its leader. This commanding part industry has not yet learned to assume, and the result is confusion. When the revolution is complete, when all the arts of beauty and humanity have joined in it, the accusation that industry is ugly and destructive will no longer be heard. Before this result is attained, however, industry must look to quality, not alone to quantity or cheapness. Mr. Romier admits that here is a task for the highest intelligence; but he looks to the human race to perform it.

Section 3
MARKET QUOTATIONS

Farm Products Jan. 13. Livestock quotations at Chicago on steers for slaughter, good and choice, $14.25-$18.75; cows, $8.50-$11.25; heifers, $11.25-$13.25; vealers, $11.75-$14. Feeder and stocker steers $9.75-$12. Heavy weight hogs, $8-$8.50; light lights $7.25-$8.40; slaughter pigs, $6.50-$7.50; lambs, $12.50-$13.40; feeding lambs, $11.50-$13.25.

Maine sacked Green Mountain potatoes sold at $1.95-$2.25 per 100 pounds in eastern cities; $1.50-$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites, $1.50-$1.60 carlot sales in Chicago; $1.30-$1.35 f.o.b. Waupaca. Florida pointed type cabbage, $2.25-$2.75 per 1½-bushel hamper in the eastern markets. New York Danish type, $10-$25 bulk per ton in terminal markets; $8 f.o.b. Rochester. New York and midwestern sacked yellow onions ranged $2.25-$2.90 per 100 pounds in consuming centers; $2.25-$2.45 f.o.b. New York Baldwin apples sold at $6.50-$7 per barrel in New York City; eastern Yorks $6.75-$7.25.

Closing price of 92 score butter at New York was 48½¢.

Closing prices on No.1 fresh American cheese at New York: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

Average price of Middling spot cotton in 10 designated markets declined 24 points to 18.79¢ per lb. January future contracts on the New York Cotton Exchange declined 25 points to 18.93¢ and on the New Orleans Cotton Exchange they were down 29 points, closing at 18.68¢. On the Chicago Board of Trade January futures declined 9 points to 18.81¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.57 7/8-$1.63 7/8. No.2 red winter at Chicago $1.39½; Kansas City $1.44-$1.47. No.2 hard winter, Chicago $1.30½ and Kansas City $1.27-$1.29. No.3 mixed corn at Chicago 86½¢; at Kansas City 77-80½¢; and at Minneapolis 80¢-85¢. No.3 yellow corn at Chicago 88½¢; Minneapolis 85¢-87¢; Kansas City 81¢-83½¢. No.3 white oats, Chicago 54¢-56¢; Minneapolis 51¼¢-53¾¢; Kansas City 54¢-56¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 12 Section 1 January 16, 1928.

TRADE FEDERATION TO FIGHT FARM COOPERATIVES The press of Jan. 15 reports: "A 'gigantic federation' to fight farmers' cooperative movements and oppose legislation favoring producers has been launched by members of the agricultural trades, according to the Jan. 13 issue of the Dairymen's League News, organ of the Dairymen's League Cooperative Association, Inc., of New York. Among the organizations officially represented at a meeting in Chicago, the News says, were delegates from the fruit, vegetable, dairy and produce exchanges of New York, Chicago, Boston, Philadelphia, Baltimore, St. Louis, Los Angeles, Seattle and many other trade organizations. The gathering, comprising 175 delegates, was the result of a call issued by W. F. Jensen of the American Association of Creamery Butter Manufacturers, who acted as Chairman. Mr. Jensen, according to the News, said that this was the first attempt of the middlemen to get together to protect their interests against the cooperative movement, and to see to it that no special favors were granted the cooperatives by the Government. He voiced opposition to artificial stimulation of cooperatives by Government subsidies...."

MELLON ON TAXES A warning that reduction of Federal taxes by Congress below the $225,000,000 recommended by the Treasury would result in higher rates later, with a consequent unfavorable effect on business, was issued Jan. 14 by Secretary Andrew W. Mellon, according to the press of Jan. 15.

RETIREMENT MEASURE The Senate civil service committee Jan. 14 decided to make a favorable report on the Dale-Lehlbach bill increasing the maximum retirement annuity from $1,000 to $1,200, and making retirement optional after 30 years' service, providing certain age limits have been reached, according to the press of Jan. 15.

EDISON'S RUBBER EXPERIMENTS The press to-day reports that the board of managers of the New York Botanical Garden has granted leave of absence for a period of several weeks to Dr. John K. Small, head curator of the museums and herbarium, so that he may cooperate with Thomas A. Edison in his rubber investigations in Florida.

FARM COOPERATIVES Farmers' cooperative associations in the United States have grown to such an extent in recent years that in 1925 they sold products amounting in value to $2,265,000,000, according to a report on trade association activities made public yesterday by the Department of Commerce. Secretary Hoover declared trade associations have improved business conditions generally. The report emphasized the fact that such associations were spending $35,000,000 a year for industrial research and are supporting about 400 university fellowships. (Press, Jan. 16.)

Section 2

Advertising for the Farmer

Calvin T. Ryan, Director of Journalism, Iowa Wesleyan College, is the author of an article on "Advertisements Which Appeal to the New Farmer" in The Poster for January. He says in part: "Farmers have always been safe prospects for advertised products. They still are. They like to 'send for things.' Furthermore, they like to buy advertised products. They always call for it by its full name! An electric dealer told me recently that he had a prospect interested in buying an electric refrigerator. The one point the prospect held out on was that the make he sold had not been very widely advertised. Another make sold by a competitor, although a newer machine on the market, had been widely advertised; hence the prospect bought the latter machine. No amount of demonstration or sales talk could overcome that one objection. ...Was there ever a distinct 'rural mind'? Or was it purely imaginary? Yes. At least the rural sociologists tell us that there was. They tell us that the farmer, because of his isolation, because of the nature of his work, was much given to formulas, was somewhat superstitious in his beliefs. He was always afraid of the unfamiliar--a trait not yet gone from him....He was practical minded; and he was suspicious of theory and doubted the undemonstrable....He preferred to follow tradition.... The advertiser who made his appeal to this type of prospect had to suit his copy to that prospect's peculiar turn of mind, to his reactions and responses....While advertising forty or fifty years ago was rather an unscientific thing, nevertheless, those who were concerned could not help noticing what produced results. They had at least the rural prospect fairly well sized up. But this is a new day for the farmer; and while he has not thrown off all his past traits, he differs much less from his urban cousin than he did even ten years ago....As a consequence, the rural population, the most of them at any rate, are... ceasing more and more to be a type. With the development of machinery and labor-saving devices, the 'hoe-farmer,' who was primarily a 'muscle' farmer, has turned into a 'machine-farmer.' ...It is patent that effective advertising intended for the rural prospect must change as a result...."

Agricultural Cuba

An editorial in The New York Times for Jan. 14 says: "Delegates to the Pan-American Conference, which meets at Havana next week, will doubtless be told that the opulence of that ancient capital, brought down to date in modern improvements, is based upon the production of sugar. And of tobacco, some one may say. But, as a matter of fact, exports of tobacco in various forms are, as a rule, a little less than one-tenth of the whole, while exports of sugar and molasses are four-fifths. As to fruits, chiefly pineapples, they figure in the exports at a little more than one per cent....Cuba is essentially a sugar, a one-crop country, and when the world price is low, or the harvest is unusually lean, the Cubans know hard times. They suffer acutely because they raise too small a part of their foodstuffs....But what of the soil for such purposes? H.H.Bennett of the United States Bureau of Chemistry answers this question in a striking article in the January Geographical Review. He estimates that the minimum area in Cuba for 'cropping' is about 52 per cent of the island, or nearly 23,000 square miles. 'The greater part is good soil, or can be made good soil by proper treatment.' Any kind of farm machinery can be used on 'the flat to gently rolling country' which forms about three-fifths of Cuba. ...The chemist is needed in Cuba, the soil doctor....Mr. Bennett thinks that Cuba is a favored land for the experiment of 'economic equilibrium' by diversification of crops."

Cotton Acreage

An editorial in Farm and Ranch for Jan. 14 says: "The short cotton crop of 1927 sold for more money than the large crop of 1926, very good evidence that cotton can be overproduced. Now comes the question about the 1928 acreage. This will have to be settled in the minds of the producers in a very few weeks. Are we going to have a very large acreage in 1928, or will farmers reserve some of their land for other crops and thus put themselves in a position to not only receive fair prices for cotton next fall, but also provide for themselves a way to rotate crops and improve their soil? Although cotton has not sold this past season for as much as many have believed it to be worth, the price was so much better than the previous season that many believe that farmers will be tempted to increase their production in 1928. In past seasons Farm and Ranch has readily agreed with those who predicted increased cotton acreage following a season of good prices, but Farm and Ranch does not follow the crowd this year. Dairying, other livestock, and diversified food and feed crops have made many southwestern farmers more prosperous than cotton ever did, and while we may expect a few to go back to all cotton, there are others who are satisfied that the one-crop system is a failure. Intelligent diversification at least to the extent of growing food and feed for home consumption is becoming more popular in the Southwest. Those who have experienced the pleasure of providing for themselves and having something to sell every month of the year are going to be hard to convince that the one pay-day program is the one to follow."

English Cotton Industry

Frederick W. Tattersall, writing from Manchester, England, to Manufacturers Record for Jan. 12, says: "The year 1927 for cotton spinners and manufacturers in Lancashire must be described as a period of keen disappointment. Twelve months ago the opinion was widespread that after severe depression for five or six years the time had arrived when a distinct improvement might be expected. Raw cotton prices were on a low level and not likely to be cheaper while sellers of yarn and cloth were prepared to book orders at figures which showed either a loss or only just covered the cost of production....Between the beginning of January and the middle of March the output in the spinning mills using American cotton was increased from 60 to 85 per cent of full time. There was a corresponding expansion of output in weaving districts. In April, however, trade began to fall off and for several months the sales were not equal to the output. During the last quarter of the year the conditions have been very unsatisfactory...."

Farm Implements

"Agricultural implement makers have just closed their third successful year, with 1927 sales and earnings running well ahead of the preceding two years. Buying of equipment was retarded somewhat at the outset of the spring season owing to the unfavorable weather which prevailed at that time. Later, however, during the summer and fall months, crop conditions improved to such an extent that farmers were able to enter the market for purchases on a more extensive scale, with the result that sales, especially the heavier types of equipment, assumed record-breaking proportions. On the other hand, lighter machinery has not fared so well and sales instead of increasing have shown a tendency to decline. Farmers are endeavoring to reduce crop production costs as much as possible. In order to accomplish this end it has been necessary to resort to a broader use of heavy equipment such as tractors, combines, etc., so as to provide additional saving of labor...." (Magazine of Wall Street, Jan. 14.)

Firestone on Rubber

Harvey S. Firestone, president of the Firestone Tire and Rubber Company, said at New York Jan. 13 that American rubber interests had made progress "in combating the control of crude rubber prices caused by the British Rubber Restriction Act." A good deal had been accomplished by American firms, he said, through the storage of rubber stocks in New York. He also pointed out that the Dutch Colonies, Liberia and other unrestricted areas were catching up with British controlled production. Despite this, he declared, the price was still high because the British were releasing only 60 per cent of their normal supply. (Press, Jan. 14.)

Land Bank Assessment

In an editorial on the assessment against the shareholders of the Joint Stock Land Bank of Milwaukee, The Journal of Commerce for Jan. 13 says: "...In the case of the Milwaukee bank not only must the stockholders lose twice the amount of their original investment, but it is evident that if the receiver has correctly diagnosed the situation there will be a considerable loss to the holders of the bank's bonds, since the maximum assessment permissible is about $600,000 below the estimated deficit in the resources of the institution....The action taken by the Farm Loan Board is being hailed as a salutary warning to other banks to avoid the conscienceless and suicidal practices that seem to have characterized the management of the Milwaukee institution...."

Silk Production in France

Silk production in France is becoming increasingly important and, according to information received by the Bankers Trust Company of New York from its French information service, that country is taking the lead in efforts which are being made towards permanent international organization of this industry. Eight countries were present at the recent conference held in September by the French Silk Federation: Italy, Switzerland, Germany, England, Spain, Hungary, Czechoslovakia and France. The use of silk articles of clothing by both men and women has increased phenomenally as well as its employment in such industries as aeronautics, electricity, automobiles, etc. From ten million tons in 1875--according to "Pax Economique"--world production has advanced to 150 million tons in 1926, due largely to the development of rayon.

Wool Prices

The National Wool Grower for January says: "At the opening of the year there are indications that the wool market will reverse the course that was followed in 1926 and 1927. In those years the early contract prices were above what was paid at shearing time, except in Texas and in a few cases in Montana. Students of stock exchange and other market statistics usually agree that only one rule can be relied upon, that a market never does the same thing twice in succession...."

Section 3

Department of Agriculture

An editorial in Dairy Produce (Chicago) for Jan. 10 says: "The Government's produce agency act is in operation under the Bureau of Agricultural Economics....We do not believe the produce trade will regard the law as in any sense a burden and we believe produce dealers generally will cooperate with the Bureau of Agricultural Economics in the enforcement of the law. There are not many dealers now who will want to hide the details of their handling of goods entrusted to them. Years ago there was much to criticize in

this regard but in those days little money was required to get into the business and many irresponsibles entered it. But now it takes a considerable capital and competition is so keen that the unfair house can not stay in the business. Years ago we heard about produce being dumped to influence prices, but we were never able though we tried, to establish such a case. To-day values on produce are all too high for any person, who might be so disposed, to try to affect the market by throwing stuff away. But even though such procedure is unlikely, the provision against it is a good thing."

Section 4
MARKET QUOTATIONS

Farm Products Jan. 14. No.2 red winter wheat Chicago $1.41½; Kansas City $1.44 to $1.47. No.2 hard winter Kansas City $1.39 to $1.47. No.3 mixed corn Chicago 86½¢; Kansas City 77¢ to 80¢. No.3 yellow corn Chicago 91¢ to 91¼¢; Kansas City 81 to 83¢; No.3 white oats Chicago 54½¢ to 56½¢; Kansas City 54 to 56¢.

Prices of hogs; heavy weight, medium, good to choice, $8.10 to $8.60 in Chicago; medium weight, good and choice, $8.30 to $8.60; light weight, medium to choice, $7.90 to $8.60.

Maine sacked Green Mountain potatoes ranged 5¢ to 15¢ lower at $1.95-$2.15 per 100 pounds in eastern cities. Wisconsin sacked Round Whites declined 10¢ in Chicago to $1.45-$1.55 carlot sales. New York and midwestern yellow onions held firm at a general range of $2.25-$3 sacked per 100 pounds in consuming centers; $2.25-$2.45 f.o.b. shipping point. Cabbage somewhat irregular. New York Danish type sold at a range of $14-$25 bulk per ton in terminal markets; mostly $8 f.o.b. Rochester. Florida pointed type around $2.25-$2.50 per 1½-bushel hamper in the East. New York Baldwin apples firm at $6-$7 per barrel in New York City; Pennsylvania Yorks $7. Michigan Baldwins about steady at $7-$8 in Chicago.

Average price of Middling spot cotton in 10 designated markets declined 6 points, closing at 18.73¢ per lb. January future contracts on the New York Cotton Exchange declined 10 points, closing at 18.83¢, and on the New Orleans Cotton Exchange they were down 2 points, closing at 18.66¢.

No wholesale prices quoted on No.1 fresh American cheese at New York. Held Prices: Flats, 29 to 29½¢; Single daisies, 29¢; Young Americas, 29 to 29½¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 49¢; 91 score, 48½¢; 90 score, 47¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 13 Section 1 January 17, 1928.

THE PRESIDENT ON INTERNATIONAL RELATIONS

President Coolidge, at the formal opening of the sixth Pan-American conference at Havana yesterday, stressed peace and good will among the Governments and peoples of the Western Hemispheres in his remarks, according to press reports. He emphasized the democracy of the American republics and contended that the form of our Governments guarantee us against Old World dynastic wars. While he defended moderate military preparedness, he indicated that the various conflicts in this part of the world had been mainly for independence and had been followed by beating our swords into ploughshares. Throughout his address, he laid weight upon the fact that all of the nations represented in the Pan-American conference stood on terms of absolute equality.

TARIFF REVISION

By a vote of 54 to 34, the Senate yesterday went on record as favoring a reduction in many of the present tariff schedules, adopting the McMaster resolution, which in part reads: "Resolved, That many of the rates in existing tariff schedules are excessive and that the Senate favors an immediate revision downward of such rates, establishing a closer parity between agriculture and industry, believing it will result to the general benefit of all..."

The House yesterday voted down a Senate resolution to define imported broken rice as "brewers' milled rice." In refusing to adopt the resolution, the House took the position that tariff legislation should originate in the House. (Press, Jan. 17.)

GRANGE OFFICIALS GATHER

The press to-day reports that members of the executive committee and officers of the National Grange were gathering in Washington yesterday in preparation for executive committee sessions lasting through Thursday, which will vitally influence the course and nature of farm relief legislation at the present session of Congress.

TRANS-ATLANTIC FRUIT SHIPMENT

A Liverpool (England) dispatch to-day reports that the Leyland liner Daytonian arrived there yesterday with 5,984 boxes of grapefruit and oranges, inaugurating a direct fruit service from Florida to England. The shipment included a gift of fruit from Goverhor John W. Martin to the Lord Mayor of London and a similar gift from the Mayor of Jacksonville to the Lord Mayor of Liverpool.

AIRWAYS FUNDS

An additional appropriation of $475,000 for the Department of Commerce for the use of the commercial aviation division was recommended to Congress Jan. 14 by President Coolidge. The funds would provide lighted airways in addition to the 2,500 miles proposed in the regular appropriation recommendation for the next fiscal year. It was stated that on June 30 there would be 7,512 miles of lighted airways with more than 10,000 miles at the end of the succeeding year. Part of the additional appropriation also would be used for increasing radio facilities as an aid to air navigation.(Press, Jan.16.)

Section 2

Cooperation An editorial in The Iowa Homestead for Jan. 12 says: "Last week a meeting was held in Chicago that emphasized how the spirit of cooperation and helpfulness is expressing itself more and more in the business and economic world. The meeting was the culmination of a series of conferences held by the agronomists of our experiment stations, out State fertilizer control officials and the manufacturers of commercial fertilizers. The agronomists have for some time contended that the fertilizer manufacturers were selling fertilizers that were not the best for the farmer because they contained too low a percentage of plant food and too high a percentage of inert matter. The manufacturers admitted that they could deliver higher analysis fertilizers to the farmer at a lower cost per pound of actual plant food, but urged the impracticability of doing this because the farmer bought fertilizer not according to its plant food content, but according to price per ton. The agronomists were right and the fertilizer manufacturers were right, yet for years nothing was done to harmonize the theory of greater economy in high analysis fertilizer on the one hand with the practice of manufacturing and selling low analysis fertilizers on the other hand because of less sales resistance....The spirit of cooperation that permeated this meeting was most commendable and we are sure will be productive of great good in the future...."

Farmer Efficiency An editorial in Grain Growers' Guide, (Winnipeg) for Jan. 2 says: "The recent report of U.S. Secretary of Agriculture Jardine contains some information regarding the farmers' increasing efficiency that merits attention. He states that since the close of the war the farm population of the United States has decreased from 31,000,000 to 28,000,000, yet farm production has more than kept pace with the growing population of the country. According to The Statesman's Year Book, the population of the United States on July 1, 1918, was estimated at 105,253,300. It is now around 119,000,000, or at least 13,000,000 more than at the close of the war. The increase has been about 12 per cent, yet the farmers, reduced in number by 10 per cent, are still keeping pace with the demands of the country for food and other agricultural products. To do this they must have increased their efficiency considerably over 20 per cent in the last nine years. In Western Canada, since the outbreak of the war, the farmers have at least doubled their production with an increase in the number of farms of only 15 per cent. The percentage increase in efficiency has been even greater than in the United States, due to the emergence of many of our farmers from the pioneering stage. The use of improved machinery and more farm power, together with improved farm management, largely accounts, however, for the amazing increase in efficiency in both countries. The efficiency of the farmer is increasing more rapidly than at any time in history. The widespread notion that agriculture is lagging behind industry in adopting improved methods of production will not bear examination in the light of what has happened within the last ten years."

Flour Consumption Figures An editorial in Northwestern Miller for Jan. 11 says: "Data compiled and just published by the Food Research Institute provides an entirely new statistical survey of flour production and consumption for the entire period since 1879. Changes from previously accepted figures largely are in detail, but in several instances they show substantial differences, both as compared with other official and unofficial data and with the institute's own conclusions published in its

bulletin on the subject of declining flour consumption in July, 1926... The most interesting conclusion arrived at is an apparently sound estimate of the total and per capita flour consumption from year to year, reached by taking data on flour stocks in the carry-over in connection with annually computed production, exports and disappearance....In general, the institute survey shows a fairly uniform per capita flour consumption of 1.147 barrels until the early years of this century, when a slight decline began, and continued without interruption until war years. In the war period, consumption declined about ten per cent, reaching the minimum in the 1917-18 crop year. Subsequently there was a slight recovery until it reached and apparently became stabilized at the present point. In final summary, although this point is not emphasized in the institute's conclusion, the per capita consumption of flour is now fairly fixed at about one fourth barrel less than twenty-five years ago. With the former rate of consumption and with exports constant at present basis, current production of flour would need to be about one hundred and fifty million barrels instead of the one hundred and twenty millions ground by mills in the year just ended."

Industry and Farming

An editorial in The Rural New-Yorker for Jan. 14 says: "Stripped of diplomatic language William Green, president of the American Federation of Labor, tells the leaders of industry that the problem of the new year is to bargain with labor on a cooperative basis, and pay wages that will make it possible for labor to buy the products of industry. A similar challenge might well be made to the owners of industry and the masters in trade by farm leaders for a fair deal for the farm. If industrial leaders could only be induced to see it there is nothing that would so stimulate industrial prosperity as an increase of the purchasing power of the American farms. On an average these farms could easily absorb $2,000 apiece in improvements and equipment and yet be far short of the saturation point. This alone would furnish industry a cash customer of $12,000,000,000. We would do industry and labor a favor if we could induce them to sit in with farmers and arrange an exchange or price on the basis of labor and capital employed in unit production. It would create a demand for labor and goods that would put industry on the high shelf of prosperity."

Lumber Production

Lumber production by the organized section of the American lumber industry was 14,279,520,478 feet in 1927. This figure, the National Lumber Manufacturers' Association reported Jan. 13, compared with 15,266,935,764 in 1926 when five per cent more mills reported. (A.P. Jan. 14.)

Meat Trade

The export trade in American meat and meat products declined more than fifty million dollars during 1927, according to a statement issued Jan. 16 by the Institute of American Meat Packers. "Although the quantity of meat and meat products exported declined only about 12 per cent during the eleven months of 1927 for which complete figures are available, as compared with the same period in 1926, the value declined approximately 25 per cent," the statement continues. "The greatest declines occurred in exports of hams and shoulders. During the first eleven months of 1926, 171,000,000 pounds of these products, valued at more than $40,000,000 were exported. During the same period in 1927, only 113,000,000 pounds, worth $23,465,000 were exported. There was only a relatively small decline in the exports of animal fats

and oils, an export classification which consists largely of lard. These exports declined 5 per cent in quantity and 16 per cent in value as compared with the preceding year. Figures for meat alone for the eleven-month period showed a decline of 27 per cent in the quantity exported, with a decrease of 35 per cent in value, as compared with the similar period of 1926. Increased production of hogs in Europe was largely responsible for the decreased demand from abroad. Exports during the year consisted almost exclusively of pork and pork products. Exports of beef and beef products were relatively small."

Motor Roads Statistics just compiled by the American Automobile Association show that in 1927 there were forty motor vehicles registered for every mile of improved highway in the United States. In 1926 the comparison was thirty-four motor cars to one mile of improved highway. In 1918, the comparative figure was 17, showing in the ten-year period an increase of 130 per cent in the number of motor units to every mile of improved highway. With the maximum load on the improved highways in 1927, each car would have had a space of only 44 yards in which to operate as compared with 52 yards in 1926, and 103 yards in 1918. The figures announced for 1927 are based on a registration of 23,125,000 motor cars and a total of 575,000 miles of improved highways. (Press, Jan. 16.)

Sugar Institute An editorial in Facts About Sugar for Jan. 14 says: "The establishment of the Sugar Institute is easily the most important event that has taken place in the refining industry in many years. In the future it may become a landmark dating the commencement of a better era in the sugar trade of the United States. Certainly the institute begins its career with the approval and good wishes of every important factor in the industry....The institute is designed to be of service to consumers of sugar and to all those engaged in handling the commodity, as well as to the refiners themselves. Because of this broad scope, as well as because it holds promise of stabilizing an important industry, it is entitled to the support of all those who are concerned with sugar in any capacity, and we believe it will receive such support and approval."

Wholesale Prices Practically no change in the general level of wholesale prices from November to December is shown by information collected in representative markets by the Bureau of Labor Statistics of the Department of Labor. The bureau's revised index number, computed on prices in the year 1926 as the base and including 550 commodities or price series, stands at 96.8 for December as compared with 96.7 for the month before, an increase of only one-tenth of 1 per cent. Compared with December, 1926, with an index number of 97.9, a decrease of 1 1/10 per cent is shown. Farm products as a group remained at about the same price level as in November, grains advancing and beef steers, hogs, and lambs declining sharply. Cotton and potatoes also were cheaper, while poultry, eggs, and tobacco were higher. Foods as a whole showed a slight decline, with butter above and pork products below November prices. Hides and leather products advanced sharply, while small increases are shown for metals and metal products, building materials, and miscellaneous commodities. Of the 550 commodities or price series for which comparable information for November and December was collected, increases were shown in 147 instances and decreases in 139 instances. In 264 instances no change in price was reported.

Section 3
MARKET QUOTATIONS

Farm Products Jan. 16. Grain prices quoted: No.1 dark northern spring wheat Minneapolis $1.57 7/8 to $1.63 7/8. No.2 red winter Chicago $1.41; Kansas City $1.45 to $1.48. No.2 hard winter Kansas City $1.39 to $1.44 1/2. No.3 mixed corn Chicago 84¢; Minneapolis 80 to 82¢; Kansas City 76 to 79 1/2¢; No.3 yellow corn Chicago 85¢; Minneapolis 85 to 87¢; Kansas City 80 to 82 1/2¢. No.3 white oats Chicago 54 1/2 to 56 3/4¢; Minneapolis 51 1/4 to 53 3/4¢; Kansas City 54 to 56¢.

Livestock prices at Chicago: Steers, good and choice, $14.50 to $18.75; cows, good and choice, $8.75 to $11.50; heifers, good and choice, $11.50 to $13.50; vealers, good and choice, $11.50 to $14; feeder and stocker cattle steers, good and choice, $10 to $12; heavy weight hogs, good and choice, $8.10 to $8.50; feeding lambs, medium to choice, $11.65 to $13.40.

Maine sacked Green Mountain potatoes sold at $1.95-$2.35 per 100 pounds in eastern cities; $1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.60 carlot sales in Chicago; mostly $1.30 f.o.b. Waupaca. New York and midwestern sacked yellow onions sold at $2.25-$2.75 per 100 pounds in consuming centers. Florida pointed type cabbage brought $2-$2.75 per 1½-bushel hamper in eastern cities. New York Danish type $10-$20 bulk per ton in terminal markets; mostly $8 f.o.b. Rochester. New York Baldwin apples sold at $6-$6.50 per barrel in New York City. New York and Michigan Baldwins $7-$8 in Chicago.

January future contracts on the New York Cotton Exchange declined 20 points to 18.63¢, and on the New Orleans Cotton Exchange they were down 30 points, closing at 18.36¢. On the Chicago Board of Trade January futures declined 20 points to 18.50¢. The average price of Middling spot cotton in 10 designated markets declined 23 points to 18.50¢ per lb. On the same day last season the price stood at 12.81¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 28 to 23½¢. Held Cheese: Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 49¢; 91 score, 48½¢; 90 score, 47¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVIII, No. 14 Section 1 January 18,1928.

HOUSE AGAINST TARIFF CUT

The House yesterday by a vote of 183 to 164 tabled the McMaster resolution, already adopted by the Senate, proposing a downward revision of excessive tariff rates. (Press, Jan. 18.)

TAX BILL

The $290,000,000 tax reduction bill passed before Christmas by the House was laid on a shelf in the Senate finance committee room yesterday until about March 15, according to the press to-day. Chairman Smoot of the committee stated that the administration desired to learn more about the tax returns for this year, which will be partially revealed when first payments are made on March 15, before having a reduction bill enacted into law, the report declared.

RADIO SERVICE

Radio was pictured to Congress yesterday as a means of communication that rapidly is weaving itself into the very fabric of American industrial, commercial and agricultural life. Broadcasting was described as "only a very small part" of the picture and it was said that applications for radio licenses were being received by the Federal Radio Commission from railroads for "caboose to engine" communication; from chain department stores and from lumber companies desiring to keep in contact with men "away up in the hills." Acting Chairman Caldwell, of the commission, in appearing before the House appropriations committee on the bill carrying funds for the commission's activities, said that "in economic importance to this country, broadcasting is almost insignificant compared with the other radio situations." A summary of Caldwell's testimony as to the various interests applying for wave lengths follows: Electric railways to communicate between cars; interurban bus companies along highways; [illegible] electric power companies to keep in contact with buses for emergency use when a storm breaks wires; oil and lumber companies to keep in contact with parties in the hills or woods; farm cooperatives for quick market news; motion picture producers to direct actors at work in the mountains or deserts and from city police and fire chiefs to spread police and fire alarms. (A.P., Jan. 18.)

COFFEE TESTING

A New York dispatch to-day says: "The licensed coffee taster has made his official debut on the New York Coffee and Sugar Exchange. His business is to tell by a sip whether coffee is suitable for American distribution. The 'cup test,' members of the exchange said, will be useful as a hedging basis against contracts in Brazil. March contracts for Santos delivery were dealt in yesterday on the cup-test contract at an average premium of 6.84 cents, against the March contract of 13.78 cents on the old basis."

Section 2

Economy Theory and Practice "The Impasse in Economic Theory" is the title of an article by Paul T. Homan of Cornell University in The Journal of Political Economy for December. In this the author reviews at length the conflicting theories of leading contemporary economists, encountering confusing diversity of thought, which, he declares, prohibits any project of classification. Nothing can be more evident to anyone surveying the field of contemporary economic thought than that those economists who concern themselves with general theory hold widely divergent ideas of the purpose, scope, and method of economics, he says. When one remembers that the objective data upon which economists must base their beliefs are the same for all, an explanation of these divergencies must naturally run in terms of the difficulties which beset the economic theorist in the complexity of his data, or of the inadequate media of thought which men have devised for scientifically explaining their own activities, or of the astigmatic contrariety of the human mind, or perhaps of all three. The major division of economic thought has arisen in the twentieth century not from the internal diversities within the bounds of an honored tradition, but from a denial of the adequacy of the adjustments and a denial of the validity of the remaining forms, the author asserts. It is not to be denied, he says, that the study of prices and markets constitutes a profitable use of the economist's time. For it is through the guidance given by the price system that, under our present arrangements, economic activity takes on the semblance of orderliness. Over the whole economic field the complexities of business practice are turning assumptions into problems for investigation. Simple monetary theories are giving way to detailed examination of the agencies and effects of credit. Simple wage theories are neglected before a wider examination of the conditions of the efficient application of labor in industry. Simplicity and logical coherence in economic theory are, in important circles, no longer deemed sufficient. They are being submitted to the inexorable test of their relevance to objective reality. This concern for realistic data, while it has been a factor in limiting the acceptability of economic doctrines, has perhaps had less effect in actively reshaping economic theory than a new ideology which has found its way into economics from such varied sources as philosophy, psychology, and natural science. The situation need not, however, be diagnosed as a turn for the worse, the author asserts. Under the impulse of enormous curiosity, impelled by the pressing character of economic problems, economists in increasing numbers and with improving technique are amassing data which permit the light to play upon the detailed processes of our social organization. The social sciences are being thrown into closer cooperation and dependence. In the presence of a new and bafflingly complex phase of economic development, of novel philosophies, and of fluid scientific concepts, they are grappling as they may with their problems.

Farm Equipment An editorial in Farm Implement News (Chicago) for Jan. 5 says: "The farmer of the future will make money in farming. Those who can not will not continue to farm. There probably will be no more generations of rich retired farmers who never made any money farming but who make a fortune by sitting tight and holding on to farm lands constantly appreciating in value. The farmer of the future will hire no more labor than is necessary. To avoid doing so he will use labor-saving

machines and mechanical power to the utmost. The farm equipment dealer of the future also will make money. The distribution of the types of power units and labor-saving machines now being perfected will require a high order of ability and a considerable amount of capital. This automatically will keep out of the business most of the inefficients and those without capital...."

Fertilizer Industry

An editorial in The Fertilizer Review for January says: "In the fertilizer industry we look back upon 1927 as a year of chaos and business disaster. We got what we expected and much more in loss of money and disruption of trade....Although no legislation has been enacted to aid in insuring equality for agriculture, nature, and to some extent the farmer himself, intervened helpfully in 1927 partially to remedy bad conditions. As a result the total value of about fifty principal crops, based on December 1 prices, was $8,428,626,000, compared with $7,793,480,000 in 1926, an increase of $635,000,000. Of this increase, more than half, or $331,000,000, was due to improvement in the price of cotton....Most of the rest of the improvement in the value of our crops is attributable to the higher price of corn, which accounts for $285,000,000 of the $635,000,000 increase in 1927...Potatoes, which are a rather large consumer of commercial plant food, decreased in value over $113,000,000 in 1927 as compared with 1926. On the other hand tobacco growers have almost $34,000,000 more to spend in 1928 than they had in 1927. From the facts thus presented we may safely conclude that, while the silver lining is not without its cloud, the balance favors a reasonably good year for the manufacturer of fertilizer. We hold this view despite certain adverse factors in general industrial and commercial conditions that are not without effect on the farmer's prospects. Although his prospects are bright, they are not so bright that, as viewed either by the farmer himself or the fertilizer manufacturer, they will take care of themselves. The farmer must employ sound agricultural practices and the fertilizer manufacturer must observe the rules of good business or the outcome can not equal the outlook. The farmer is therefore cautioned to work for a low cost of production per unit, and the manufacturer is cautioned to avoid overproduction in order to escape the temptation to uneconomic price cutting, such as sapped the vitality of the industry in 1927. Fair prices with moderate profits should be the goal; a weak and unprofitable fertilizer industry can not in the long run serve American agriculture adequately...."

Hog Marketing

An editorial in The (Indiana) Farmer's Guide for Jan. 14 says: "Farmers who are wondering why the prices of hogs at this writing are one-third lower than they were a year ago, may well ponder on the part that packer buying in the country has played in lowering the entire price structure on the open markets. Packers to-day are getting more than one-third of their hogs direct from the farmer, and the hogs they buy in the country are the best hogs produced. With the best hogs taken off of the central markets, prices are set on the basis of the hogs that are left over and that find their way to the open markets, which as noted above are of poorer quality than those bought direct. The prices paid in the country are naturally based on prices in the open market. In other words, the prices for the best hogs are regulated by prices paid for inferior hogs. The packers buy in the country with no semblance of competition. It naturally follows

that, with their quality needs satisfied by country buying, they are not going to compete very strenuously for hogs in the open market. And when competition is removed, the bottom drops out of the price structure...."

Indiana Poultry An editorial in The (Indiana) Farmer's Guide for Jan. 14 says: "In his annual report, Dr. F.H.Brown, Indiana State Veterinarian, states that Indiana stands about sixth in the United States in poultry raising, and that the total income from all branches of this industry will total approximately $60,000,000 annually. Only the dairy and swine industries exceed poultry in the matter of income. Vast improvements have been effected in the production end of the business during the past few years, but, considering the industry as a whole, little more than a beginning has been made. There are still too many flocks that average only five or six dozen eggs annually, flocks which are kept at an unquestioned loss. What the industry needs is not more hens, but better hens: Better housing, better care, better feeding practices, and above all a realization of the importance of clean ground in preventing parasites and soil-borne diseases, are other needs."

Price Cycles "Individual Cycles in Stock Prices" is the title of an article by Forrest B. Ashby in The Journal of Political Economy for December. Many writers upon economic subjects have endeavored, with more or less success, to prove a sequence in the fluctuations of the various curves which indicate the progress through the business cycle of various types of agricultural, industrial, and financial activities. For instance, it has been held that price changes in the case of farm produce and raw materials precede price changes in the case of manufactured products and other finished goods; and that the price changes of certain products, such as house furnishings, usually take place after fluctuations in the wholesale price curve of all commodities. In summarizing the results of his study of differential stock-price cycles, the author finds, first, that the stock-price cycles of various companies in the same field of business correspond closely, particularly in directional changes; second, that the composite stock-price cycles of the analyzed industries possess different amplitudes; and third, that these composite cycles betray no sequential movements, but, on the other hand, move together, possessing the same period, or length of duration, and reaching their peaks and nadirs within a month or so of each other. Further, during the past twenty-one years these cycles have manifested a disposition to recur according to a "rule of three," whereby two successive cycles are major swings, followed by a third smaller cycle. The length of time from the peak of one cycle to the peak of the next is about three years, while the length of time from the nadir of one cycle to the nadir of the next is somewhat less than four years in the first two major cycles in each set of three and a little over two years in the case of the third minor cycle. Lastly, the periods of boom and recession in the case of major stock-price cycles usually occupy from one and one-half to two years, respectively, while the periods of rise and decline in the case of minor cycles are about one year each.

Section 3
MARKET QUOTATIONS

Farm Products Jan. 17. Maine sacked Green Mountain potatoes sold at $1.95-$2.25 per 100 pounds in eastern cities; $1.55-$1.60 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.60 carlot sales in Chicago; mostly $1.30 f.o.b. Waupaca. New York and midwestern sacked yellow onions sold at $2.15-$2.65 per 100 pounds in consuming centers; $2.30-$2.35 f.o.b. New York Danish type cabbage ranged $10-$17 bulk per ton in terminal markets; very few sales at $7-$8 f.o.b. Rochester. Florida pointed type $1.75-$2.50 per 1½-bushel hamper in the East. New York Baldwin apples $6-$6.50 per barrel in New York City; Pennsylvania Yorks $7. Michigan Baldwins $7-$8 in Chicago.

January future contracts on the New York Cotton Exchange declined 3 points to 18.60¢, and on the New Orleans Cotton Exchange they were down 20 points, closing at 18.16¢. On the Chicago Board of Trade January futures declined 20 points to 18.30¢. The average price of Middling spot cotton in 10 designated markets declined 6 points to 18.44¢ per lb. On the corresponding day in 1927 the price stood at 13¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 28 to 28½¢. Held Cheese: Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 47½¢; 91 score, 47¢; 90 score, 46¢.

Livestock prices: Vealers, good and choice Chicago $12 to $14.75; feeder and stocker cattle steers, Chicago $10 to $12.25; heavy weight hogs, good and choice Chicago $8 to $8.35; light weight medium to choice $7.10 to $8.35; lambs, good and choice $12.75 to $13.60.

Grain prices quoted: No.1 dark northern Minneapolis $1.57¾ to $1.63¾. No.2 red winter Chicago $1.41; Kansas City $1.44 to $1.48. No.2 hard winter Kansas City $1.39½. No.3 mixed corn Chicago 88¢; Minneapolis 81 to 83¢; Kansas City 78 to 80½¢. No.3 yellow corn Chicago 90¢; Minneapolis 85 to 88¢; Kansas City 81 to 83¢. No.3 white oats Chicago 84¾ to 86¾¢; Minneapolis 52 to 54¢; Kansas City 54 to 56¢. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 15 Section 1 January 19, 1928.

FARM MEASURE DISCUSSION

The press to-day reports: "A split in the ranks of the supporters of the equalization fee principle of the McNary-Haugen farm relief bill developed yesterday at a meeting of the House agriculture committee. Representative Williamsof Illinois announced that he would not again vote to report a bill embodying this controversial provision. His statement was seconded by Representative Ketcham of Michigan. The opinion that such a bill would be amended on the House floor to cut out the equalization fee previously had been expressed by Representative Adkins. of Illinois. While they did not renounce what they regard as the merits of the equalization fee proposal, the three Republican committee members contended that a bill should be reported which would meet administration approval if passed by Congress....Chairman Haugen said he does not intend, however, to surrender that provision and will fight to have his bill, modified in several other respects, approved by the committee...."

FEDERAL RESERVE LOANS

An immediate restriction of further loans for speculative purposes was demanded of the Federal Reserve Board yesterday by Senator La Follette, who introduced a resolution in the Senate calling on the board to reduce such loans to the lowest possible amount and asking it to suggest legislation to prevent future use of the Federal Reserve system's funds for speculative purposes. "The total loans secured by stocks and bonds of the fifty-one member banks of the New York Reserve District reached the unprecedented total of $3,819,573,000, Jan. 11, and the largest part of this sum is used for speculation on the New York Stock Exchange," Senator La Follette stated. (Press, Jan. 19.)

CAPPER ON FLOOD CONTROL

Senator Capper yesterday told the House flood control committee that it would be unfair to ask the people of the Mississippi Valley to make further contributions to the cost of controlling the Mississippi River, according to the press to-day.

TRANS-ATLANTIC TELEVISION

A London dispatch to-day states that television between London and New York has been definitely established as a result of secret experiments, according to L.G. Hutchinson, managing director of the Baird Television Development Company. For six weeks the Baird Company has been making research work from London offices and recently established contact with New York on several occasions. He stated that it has been possible to see the faces and hands of human beings and although the features were indistinct that was a detail which would doubtless be overcome at no distant future. Mr. Hutchinson stated that he was going to the United States to conduct official experiments in trans-Atlantic vision and explore the prospects of developing results on a commercial basis.

Section 2

Burley Tobacco Pool

An editorial in The Farmer (St.Paul) for Jan. 7 says: "The famous Burley Tobacco Growers' Cooperative Association is selling this year's crop of tobacco under the old auction system which was practiced before the dramatic formation of this association five years ago. This decision to return to the auction system was taken in November after the association had failed to secure the sign-up of 75 per cent of the crop deemed necessary for the future operation of the pool. After five years of undeniable success in the cooperative marketing of the Burley crop, this magnificent cooperative structure is threatened with abandonment unless the organization can be saved for the handling of next year's crop....We hope that the Burley Tobacco Growers' Cooperative Association can be saved from disruption, but the experience of similar organizations that have thrown up the sponge temporarily would indicate that these growers must go through more years of marketing tribulation before they learn the lesson of cooperative spirit and loyalty. Organizations of this type will always face the danger of disruption so long as the loyal members have to carry the load of the non-member. The Burley growers sought to control a sufficient percentage of the crop so that they could handle the situation. Sluggish demand of the past two years, over-bidding offered to non-members, opposition to the cooperative movement itself, the poison that spreads through all such organizations--these and other causes prevented the sign-up necessary for the continuance of the pool...."

Business Leadership

Edward A. Filene, in an address before the Brooklyn Chamber of Commerce, Jan. 10, said: "In the future, most of the profits will be made by those business men who substitute facts for opinions as a basis for their policies and their decisions. 'Profitless prosperity'--a phrase often used to describe the condition of American business during the past few years--is not strictly accurate. There have been plenty of profits, but the large profits have been made by the few. Forty per cent of all manufacturing concerns have lost money or barely broken even. Most of the others have made but little. In 1925, the last year for which complete figures are available, one-fifth of one per cent of our corporations made 52 per cent of the total profit. For each dollar made by these large and successful companies, some less well managed concern lost 22 cents. Even more striking is the fact that 95 manufacturing corporations--only one-fiftieth of one per cent of the whole--made 45.5 per cent of all the profits in their particular branches of industry. More recent figures, while incomplete, indicate that the lion's share of the profits is still going to the large scientifically organized businesses."

Cooperative Marketing in Schools

An editorial in The Progressive Farmer for Jan. 14 says: "Lack of information by farmers as to the great value of cooperative marketing of farm products is undoubtedly one reason why so small a per cent of our farmers have taken up this method of marketing their crops. E.C.Burris, secretary of the Jasper, Texas, Chamber of Commerce, feels that about the best solution of this problem is to begin with the child while he is in school and teach him the basic principles of cooperative marketing, teaching him the power of cooperation and emphasizing the fact that, unless he does cooperate with his fellow farmers, he is working under an immense handicap. Of

course, the technique of cooperative marketing can not be taught in public schools, but we agree with Mr. Burris, that the fundamental principles of cooperation should be impressed upon our farm boys and girls throughout the school period...."

Grain Board Reports

Grain exchanges are better equipped to serve agriculture and commerce than ever before in history, Samuel P. Arnot, newly elected president of the Chicago Board of Trade, declared at the annual meeting of the association at Chicago Jan. 16. "American grain markets are fundamentally sound," he said. "They are more efficient and function with greater economy than at any time. They have passed through an evolutionary period, a stormy period in which machinery has been overhauled to meet new and ever-changing conditions. John A. Bunnell, retiring president, in his annual report traced the course of State legislation intended to effect a modern warehousing system, declaring that the exchange, in compliance with the new law, had formed the required corporation months ago but that the Illinois commerce commission had for some reason failed to issue the license. "Favorable action, however, is looked for at an early date," he said, "and it is confidently expected that the operation of the new law will put an end to complaints of long standing." Friendly relations with the Federal Department of Agriculture in the administration of the Grain Futures Act were referred to in the report, which likewise praised the work of the business conduct committee of the exchange in supervising the conduct of all members with a view to affording the association and the public full protection at all times. (Chic. Jour. of Commerce, Jan.17)

Hog Prices

An editorial in Wallaces' Farmer for Jan. 6 says: "We have been expecting hog prices at Chicago to rise to $10 a hundred in March and early April, and to continue almost as high throughout the summer. The Government pig survey, which was announced last week, indicates that it is doubtful if hog prices will go quite this high.... We had thought that there were no more or perhaps slightly fewer small pigs in the country this year than a year ago, and on that account had expected a fairly strong hog price situation to develop during February, March and April. We still think that prices will advance at that time, but it is now very doubtful as to whether they will go quite as high as $10 a hundred. If the Government pig survey is correct, we are anticipating that $9.30 at Chicago will be about an average price for the spring and summer months....There is a chance that hog prices will begin to climb out of the slough of depression sometime in 1929."

Land Fertility in Corn Belt

An editorial in The Nebraska Farmer for Jan. 7 says: "It is the opinion of Clarke E. Mickey of the Engineering Department of the University of Nebraska, as expressed in a meeting of engineers from States along the Missouri River, that 'unless storage reservoirs are built to provide water for the semi-arid districts of this section of the country and cheap water transportation is forthcoming, farmers simply will have to turn their energies in some other direction. Prof. Mickey makes the alarming conclusion that the Corn Belt will be importing foodstuffs instead of shipping them out within the next fifteen years unless an adequate water supply is insured to retain the necessary soil fertility in lands that are now under cultivation. This opinion is based upon the fact that vegetable matter necessary in crop production does not become available under semi-arid conditions.

Consequently, continued cropping makes the land less and less productive until the point of non-profitable returns is reached."

T B Work in Michigan

An editorial in The Michigan Farmer for Jan. 14 says: "The people of Michigan are for cleaning-up bovine tuberculosis. The State administration was convinced of this after the Governor issued an order stopping further testing on account of a shortage of funds. Protests to this order came from producers, distributors, and consumers, and led to its being rescinded. Not only is Detroit refusing to accept milk from herds that have not been tested for tuberculosis, but the Commissioner of Health of Chicago advised that milk from Michigan would be shut off if the work on tuberculosis eradication ceased. This would affect approximately 2,000 milk producers in southwestern Michigan. Besides, farmers in all parts of the State who are in a position to produce surplus cows are strong for continuing the testing work. The opportunity to secure advantageous prices for good grade and purebred cows from outside buyers has been a boon to Michigan farmers. Clean herds have made this possible...."

Wool Situation

The Commercial Bulletin (Boston) for Jan. 14 says: "The demand for wool continues steadily and prices are slowly but surely hardening for all descriptions, both here and abroad. Stocks of wool in Boston dealers' possession Jan. 5, including tops and noils, estimated at 55,000,000 pounds, were somewhat larger than expected, but not materially so. Last year, when there were much larger stocks at county points, there were 81,000,000 pounds in Boston. Foreign primary markets have shown a slight rising tendency this week and an advance of fully 5 per cent is predicted for all descriptions at London on Tuesday. The contracting movement in the West has slowed down, but some wool is being taken here and there at substantially last week's prices. The demand for goods is reported as rather slow, but the outlook is considered healthy."

Section 3

Department of Agriculture

An editorial in Modern Farming for Jan. 15 says: "In this issue appears an article by Chris L. Christensen, in charge of cooperative marketing, United States Department of Agriculture. Mr. Christensen not only knows farmer cooperatives because of his position and connections, but he has built upon this adequate background a structure of information through personal investigation and close study. ...What Mr. Christensen points out in his article relative to the necessity of quality production and standardization, business methods and constructive aims, rings true in every thinking mind. The individual, the organization, which attempts to get and not to give, can have only short industrial life in a world where competition sweeps out the unfit mercilessly. Nobody wants to help the farmer because he is downtrodden, becasue he needs help, because he has organized to secure help. But many persons do want better and more uniform farm products. When the farmer through his cooperatives supplies this demand, he gets gratifying results. He must learn that cooperative marketing is not a cause to be fought for, but a growth to be achieved by himself.... We sincerely hope that more of our cooperatives will get the vital truth reflected in Mr. Christensen's article; when the majority of them do, farmer cooperatives will cease to be a movement and will have become a service. Not until then will they have achieved their highest and most essential function."

Section 4
MARKET QUOTATIONS

Farm Products Jan. 18. Chicago livestock prices quoted: Vealers, good and choice, $12 to $14.75; steers, good and choice, $10 to $12.25; heavy hogs, medium, good and choice, $8 to $8.35; light weights, medium to choice, $7.10 to $8.35; lambs, good and choice, $12.75 to $13.60.

Grain prices: No.1 dark northern spring wheat Minneapolis $1.57¼ to $1.64¼. No.2 red winter Chicago $1.41. No.2 hard winter Kansas City $1.38 to $1.43½. No.3 mixed corn Chicago 87¾¢; Minneapolis 80½ to 82½¢; Kansas City 78½ to 80½¢. No.3 yellow corn Chicago 90¢; Minneapolis 84½ to 87½¢; Kansas City 81½ to 83½¢; No.3 white oats Chicago 54¾ to 57½¢; Minneapolis 51 5/8 to 53 5/8¢; Kansas City 54 to 56¢.

Maine sacked Green Mountain potatoes ranged $2-$2.25 per 100 pounds in the East; mostly $1.55-$1.65 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.60 carlot sales in Chicago; $1.20-$1.30 f.o.b. Waupaca. Florida pointed type cabbage closed at $2-$2.25 per 1½ bushel hamper in eastern markets. New York Danish type ranged $8-$16 bulk per ton in terminal markets; mostly $7-$7.50 f.o.b. Rochester. New York and Midwestern sacked yellow onions $2.25-$2.65 per 100 pounds in consuming centers. New York Baldwin apples $5.50-$6.50 per barrel in New York City; Rhode Island Greenings $8.50-$9 and Eastern Yorks $6.25-$6.75 in New York City. Michigan Baldwins $7-$8 per barrel in Chicago, and Jonathans $8-$9.

January future contracts on the New York Cotton Exchange advanced 13 points, closing at 18.73¢, and on the New Orleans Cotton Exchange they advanced 20 points to 18.36¢. On the Chicago Board of Trade January future contracts advanced 18 points to 18.48¢. The average price of Middling spot cotton in 10 designated markets advanced 11 points to 18.55¢ per lb. On the same day last season the price stood at 12.95¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 28¢. Held Cheese: Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 47½¢; 91 score, 47¢; 90 score, 46¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 16 Section 1 January 20, 1928.

COLLECTIVE BUYING URGED

The American consumer of tires has lost millions of dollars annually as a result of the British rubber monopoly, Secretary Hoover yesterday told the House judiciary committee, in indorsing a bill to permit the formation of American trade associations to make collective purchases of raw materials controlled by foreign nations. Mr. Hoover appeared before the committee in connection with the bill introduced by Representative Newton of Minnesota, which amends the Webb-Pomerene export trading act, and is designed especially to permit collective purchasing by American combines of rubber, potash and sisal, which are under monopoly control by foreign countries. Secretary of Agriculture Jardine in a letter to the committee added his support, declaring that the foreign monopolies, constituted a constantly growing menace, especially in the three products in question. (A.P. Jan. 20.)

MELLON ON RESERVE SYSTEM

Declaring that the Federal Reserve system is playing an important role in the plans for world financial stabilization, Secretary Mellon gave a warning at Charlotte, N.C., Jan. 19, that the system should not be endangered "by loading it down with extraneous or impossible tasks." "What the Federal Reserve system has been able to do for this country," the Treasury head said in an address before the Charlotte Chamber of Commerce, celebrating the establishment of a branch there of the Richmond Federal Reserve Bank," it is now doing to a lesser degree for the world at large. It is to-day one of the important factors in the effort which is being made to achieve world stabilization...."(A.P.Jan.20)

AMERICAN-BELGIAN RADIO PHONE SERVICE

Telephone communication between the United States and Belgium yesterday became a reality. Across the 3,000-mile ocean stretch between New York and Scotland by radio the voice of Secretary of State Frank Kellogg, from his office in the State Department, was carried to Hugh Gibson, the American Ambassador at Brussels. A few moments later Prince Albert de Ligne, Belgian Ambassador to this country, at the embassy, conversed over the telephone with M.Lyppens, minister of railways, posts and telegraphs of Belgium. The conversation was pronounced "as clear as a call to New York." The communication with Belgium marked the inauguration of service with five foreign nations by telephone. (Press, Jan. 20.)

HELIUM GAS REPORTED IN EUROPE

A Frankfort-on-the-Main, Germany, dispatch to-day reports that noninflammable helium gas is said to have been discovered at a depth of 2,000 feet at the town of Ruesselsheim. It is said to be the first of this noninflammable gas found in Europe, and the well will be worked for the use of airships.

Section 2

Advertising Agriculture

N.L.Willet of Beaufort, S.C., in a letter to Manufacturers Record for Jan. 19, says: "....Think of the amazing array, the almost countless number and the enormous cost of advertisements in modern journals--and remember here that a farmer's hand penned not a single one of them. Our Government on its part is continuously discovering new agricultural processes and facts and is bringing in numbers of valuable new economic plants for the farmer; but, because there is not adequate publicity, much of this progressive work does not reach all the farmers. We are well-nigh distracted to-day in trying to find means for helping agriculture. No two persons seem in agreement. The result will be zero. Why not, then, let the Government do a little national advertising? Why not advertise the use in the North of rice and cornmeal and the yellow yam sweet potato? Why not advertise the greater use of vegetables and of 'greens'?... For instance, consider the southern yellow yam. A Beaufort trucker to-day has 4,000 bushels--300 bushels per acre--but he can't find a market...On this coast here, as another example, is an infinity of cassina. It's a beautiful evergreen bush, with Christmas berries on it, and it has an abundance of leaves which the Indians used as a tea and is the tea yerba mate in which South America luxuriates. Prof. George F. Mitchell of the chemistry bureau at Washington worked out here several years ago a process of preparing these leaves as a tea for the table and as a syrup for the soda fount, but there was no subsequent publicity....Why does South America prefer it to Chinese tea? But who ever heard of cassina as a drink in the United States? My argument, therefore, is that the Government, in its perplexity as to agricultural help, should consider some plan of national advertising for the products of the farmer's fields, for he certainly can not do it himself."

British Agriculture

Country Life (London) for Jan. 7 says: "It is, perhaps, somewhat singular that all three political parties in this country pay tribute to the value of agricultural education and research as a foundation for a successful agriculture. It is very doubtful if this same viewpoint has always been associated with the agricultural community; but, fortunately, there are signs that the spadework accomplished by the pioneers of agricultural education is at last producing results. Already it is possible to discern a new outlook in the rising generation, who are anxious to profit by any information and methods which will prove of service to them; and the credit for much of this must be placed to the system of agricultural education which exists....Food production in this country is inadequate for the needs of the population, and, therefore, large imports from other countries are a necessity. These countries, for many years past, have been serious rivals of the home producers, mainly because they have placed their business, both as producers and salesmen, on a scientific basis. ....So far as agriculture is concerned in this country, there is much to be desired in the sphere of marketing; but it is still true that the man who can produce most cheaply is the one who scores....In turn, this has tempted many to regard 'safeguarding' against imported produce as the best means of fighting competition from abroad. This avenue of protection has, however, been closed by the electorate of the country, and there are two things which present themselves for

serious consideration in consequence. The first is that modern methods and knowledge should be as widely disseminated as possible. The second is that the selling side should be tackled in the light of experience furnished by other industries. It is necessary to regard the second as the corollary of the first, for there is little purpose in applying the fruits of research, and so developing and cheapening production, unless at the same time we impose some control on marketing. There is a strong probability that one of the influences of agricultural education will be to focus attention on these economic factors. This education must needs become more practical and, if possible, more intensive. This does not necessarily mean a limitation of bookwork and reading; but it is essential that closer attention must be given to organization and economic methods of production and distribution. In other words, the agriculturist and the economist must be co-workers...."

Declining Price Causes

"Some Reasons for Declinging Prices" is the title of an article in Commerce Monthly (New York) for January. This says: "A major price decline accompanying a period of remarkable fundamental prosperity has been the world's experience of the past two years. So closely associated have been prosperity and rising prices for a quarter of a century that this new trend is a paradox to the present generation. Explanations are commonly sought in the field of gold and credit. Yet beneath the maze of technical factors from which the general price equation is evolved stands one elemental but overlooked fact. Since 1925 production and capacity to produce have been substantially expanded. So far as commodity markets are concerned the role of credit has been one of financing, without difficulty, a physical output which was decidedly on the upgrade....So far as foodstuff production and prices are concerned the picture is somewhat mixed. With world wheat crops larger, the price basis abroad tends to be somewhat lower than in 1925. World corn crops, in which the United States plays the dominant role, have been smaller and, in the United States at least, prices are a little higher, but in view of the heavy marketing of hogs, pork products may be bought, temporarily at least, much cheaper than two years ago. Both beef and hide prices, however, are high....If additional facts were necessary to emphasize the part, possibly the dominant part, which physical productivity has played in determining the price movement since 1925, numerous examples chosen from miscellaneous fields might be offered. As illustrative as any are the cases of rubber and coffee, both the subject of organized effort to sustain market quotations. Even with the extension of export restriction following the large marketing of 1926, the quantity of rubber for sale in the world's market in 1927 was about one-eighth greater than in 1925 and 5 times prewar totals; while the control scheme for coffee has had to operate in recent months under the burden of a world crop a third again as large as that of 1925, which itself was a good crop year....It is not intended here to minimize the role which supplies and movements of gold and conditions of credit play in affecting the flow of prices. But no adequate summary of events can pass over the vital part played by enhanced production of real wealth which has been one of the most striking phases of the current situation...."

London Wool Prices A London dispatch Jan. 18 states that the first series of wool sales opened Jan. 17 when 8,439 bales were offered, about 7,500 of which were sold. America took a quantity of greasy crossbreds. Compared with the close of the previous auctions, prices generally were par to 5 per cent higher.

Master Farmers The Nebraska Farmer for Jan. 14 summarizes some of the achievements of the 1927 group of Master Farmers of Nebraska as follows:"...Briefly told, these ten farmers average fifty-four years old. They began farming an average of a little more than thirty years ago with a representative capital of less than $2,000. Now their net capital averages $77,000 and they own and operate over 11,000 acres of land, the most of which is well improved. Their good judgment and foresight is reflected in the fact that they bought very little land when prices were highest. They observe the type of diversified farming that is common to successful agriculture in this region. Their fields are maintained in a high state of productivity through the use of leguminous crops. Aside from native pasture, these farmers average 12 per cent of their acreage in a alfalfa and clover. Much of their grain and hay is marketed through livestock. Their average gross income during 1926, one of Nebraska's poorest crop years, was $15,000. On this basis, what might it be in a good year like 1927? Entirely aside from their ability as husbandmen of their fields and flocks, these farmers are active in home and community affairs. Eight of them have families--forty-five children in all. Twenty-eight of these graduated from high school. Twenty-one had attended or are in college, and seven are college graduates. These children are being reared in modern homes with the best of literature and social advantages about them, and the Master Farmer's wife is provided with modern conveniences. Nine of these homes have running water and electric lights, furnaces and power washing machines. Each of these Master Farmers has served in from one to five public capacities such as member of school board, board of directors of farmers' elevator company, church board, Sunday school superintendent, board of county farm bureau or county fair board...."

Wool in Fabrics A Syracuse, N.Y., dispatch Jan. 13 says: "Truth in the amount of fresh wool contained in fabrics was demanded Jan. 14 by the New York State Sheep Growers Cooperative Association at its annual meeting at Syracuse, at which verbal protests against falsifying or concealing the quality of wool products were voiced by speakers. Such practices result in injustices to the sheep raisers and the buying public, the speakers declared."

Section 3

Department of Agriculture An editorial in to-day's Washington Post says: "Dr. C.F.Marvin, Chief of the United States Weather Bureau, strikes back hard. For many months he has been constantly harassed and heckled by individuals who claim to be 'long-range' weather prophets. There is a conspiracy afoot, according to these soothsayers, to hinder progress in the science and art of long-range forecasting....The accusations are untrue, declares Professor Marvin. Furthermore the United States Weather Bureau will 'employ long-range weather forecasting just as soon as it can be put on a scientific basis rather than upon a foundation of mere guesswork.' Throughout the past hundred years, he says, there has seldom been a

time when one or more long-range forecasters have not sought to interest the public in their sensational claims. They have flourished for a time, only to pass into obscurity." Following Professor Marvin's recent statement on this subject, the editorial says: "It will not be easy for amateur long-range guessers to answer Professor Marvin's statement. He makes a convincing argument, and supports it with impressive facts and figures."

Section 4

MARKET QUOTATIONS

Farm Products Jan. 19: Livestock prices quoted at Chicago: Steers, good and choice, $14.50 to $18.50; cows, good and choice, $8.75 to $11.50; heifers, good and choice, $11.50 to $13.50; vealers, good and choice, $13 to $15.50; heavy weight hogs, good and choice, $8.10 to $8.45; lights, medium to choice, $7.25 to $8.35; lambs, good and choice, $13 to $13.85.

Grain prices quoted: No.1 dark northern spring Minneapolis $1.57½ to $1.64½. No.2 red winter Chicago $1.42; Kansas City $1.44 to $1.48; No.2 hard winter Kansas City $1.39 to $1.44. No.3 mixed corn Chicago 89¢; Minneapolis 81 to 83¢; Kansas City 79½ to 82¢; No.3 yellow corn Chicago 92¢; Minneapolis 86 to 87¢; Kansas City 82 to 84¢. No.3 white oats Chicago 55 to 57¢; Minneapolis 51 5/8¢ to 53 5/8¢; Kansas City 54½ to 56¢.

Maine sacked Green Mountain potatoes sold at $1.95-$2.35 per 100 pounds in eastern cities; $1.55-$1.65 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.55 carlot sales in Chicago; $1.25-$1.30 f.o.b. Waupaca. Florida new Bliss Triumphs $2.50 per bushel hamper in New York City. Florida pointed type cabbage closed mostly around $2-$2.25 per 1½-bushel hamper in the East. New York Danish type ranged $10-$16 bulk per ton in terminal markets; $7-$8 f.o.b. Rochester. Texas round type $2.75 per barrel crate in Chicago. New York and midwestern sacked yellow onions sold mostly at $2.15-$2.65 per 100 pounds in consuming centers, low as $1.75 in Pittsburgh. New York Baldwin apples $6-$7 per barrel in city markets; cold storage stock $6.25-$6.35 f.o.b. Rochester. Michigan Baldwins $7-$8 in Chicago; Jonathans $8-$9.

January future contracts on the New York Cotton Exchange advanced 8 points to 18.31¢, and on the New Orleans Cotton Exchange they were up 16 points, closing at 18.52¢. On the Chicago Board of Trade January futures advanced 14 points to 18.62¢. The average price of Middling spot cotton in 8 (holiday in 2 markets) designated markets declined 2 points to 18.53¢ per lb. On the same day in 1927 the price stood at 12.98¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, 27¢. Held Cheese prices: Flats, 29 to 29½¢; Single Daisies, 29¢; Young Americas, 29 to 29½¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 47¢; 91 score, 46½¢; 90 score, 45½¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 17 Section 1 January 21, 1928.

FARM TARIFF BILL

The press to-day reports: "In the face of opposition on the part of the Republican party leaders to revision of the tariff at this time, Representative Dickinson of Iowa yesterday proposed an increase in the import rates on more than a dozen farm commodities and the transfer of a number of others from the free to the protected list. He introduced a bill to that end and it was referred to the ways and means committee which must pass on tariff legislation..... Among the products to which the Dickinson bill would afford greater tariff protection are coconut oil, cattle, cattle hides, swine, extracts of meat, fresh, prepared or preserved; corn or maize, including cracked corn; oil-bearing seeds and nuts, and oils, expressed or extracted....."

VERMONT FLOOD AID

Federal flood relief for Vermont to the extent of $2,654,000 was sought in a bill introduced yesterday by Senators Dale and Greene of that State, according to the press to-day. The appropriation was sought for roads and bridges damaged or destroyed by the flood.

RADIO BOARD DIFFICULTIES

The press to-day reports: "The public service suffers, in the opinion of President Coolidge, when legislation undertakes to limit the appointive power of the Executive. This was made known yesterday at the White House where it was said the President is experiencing difficulty in finding a man to take the place of Rear Admiral Bullard on the Radio Commission. It was said that Mr. Coolidge is having the same trouble finding a suitable member of this board that he always has when the law limits the range of his choice by requiring regional selections..."

McKELVIE ON FARM RELIEF

Samuel R. McKelvie, former Governor of Nebraska and editor of The Nebraska Farmer, assured a group of a hundred business men and representatives of several large New York advertising agencies at New York, Jan. 19, that there was an ever-growing market for commercial products among the farmers of his State. The stores in small centers, which are patronized by farmers, are doing a thriving business, he said. The former Governor asserted that a poll he conducted last September through The Nebraska Farmer showed that only a small percentage of the 110,000 persons reached were in sympathy with any organized farm relief. Mr. McKelvie said, however, that he believed the Federal Government should render some financial assistance in the handling of surplus crops, which was, he said, one of the few difficult problems the farmers faced. The speaker said there was general prosperity due to greater scientific knowledge in all branches of agriculture and livestock raising, as well as a tendency toward a cooperative system of farms and mass production. (N. Y. Times, Jan. 20)

Section 2

Canadian Wheat

An editorial in The Wall Street Journal for Jan. 20 says: "Had a closer relationship existed between quantity and quality, Canada would this season be boasting of the finest wheat crop ever raised on her fertile prairies. This is the conclusion reached by the Free Press of Winnipeg. The quantity is there, but it is largely offset by a lower quality. This, before the end of the season, should have some effect on the markets of the world. The Canadian wheat crop was officially estimated at 418,992,000 bushels. This compares with 452,260,000, the record crop of 1923. A review of the weather situation shows why the quality of the Canadian wheat is low.....These facts should have an effect on the world wheat market... The actual disappearance of wheat is larger than a year ago. The movement from the Southern Hemisphere has been heavy, yet the market has absorbed it without difficulty. Total world exports to date, of about 335,000,000 bushels, compare with 320,000,000 a year ago. From these facts, it is a fair inference that former estimates of world import needs will later be revised upward. If they are, the lower quality of Canada's wheat will be an important market factor."

Connecticut Marketing

An editorial in New England Homestead for Jan. 21 says: "Farmers in the Nutmeg State are taking advantage of the market at their very door. Changes in marketing and grading methods, according to Commissioner Philo T. Platt, are bringing home grown fruits and vegetables to the attention of the Connecticut public, often to the exclusion of shipped-in products. 'Native apples and eggs,' says the commission, 'are good examples of products that are beginning to dominate Connecticut markets. The outlet for shipped-in apples is decreasing, although large amounts are still shipped in from other States. Likewise the public demands the best in eggs and accepts no substitute willingly, for the three Connecticut grades. Located in the center of a triangle with approximately 8,000,000 people clustering at the three points, Connecticut is wonderfully situated to care for any surplus products that she may produce. Oftentimes small groups of growers combine during a period of dull markets and make up a truck load and sometimes several truck loads and take them to either Boston, New York or Providence.....Standard grades and identification brands or trade-marks have been adopted during the past year and although it is too soon to give concrete results it will without doubt be the means of decreasing shipments into the State of many carloads of food products that can be grown and packed to better advantage on Connecticut farms.'"

Cooperative Selling

An editorial in The Farm Journal for February says: "In considering the importance of cooperative selling, it seems to us that too little account is made, even by cooperatives themselves, of the improved bargaining power of the Big Co-op. An individual seller of a farm product, or a small cooperative seller, may get polite treatment from a polite buyer. But he gets nothing but courtesy. He has no voice whatever in fixing the price paid. He gets the lowest market price for the grade, less adjustments and dockages, less whatever further pennies a dishonest buyer can withhold by sharp practice and 'the tricks of the trade.' The individual has no bargaining power, and commands no respect. How different the situation

of such a powerful cooperative as the selling agency of the three Canadian grain pools. This organization must sell its grain in a competitive market, to be sure. It has no monopoly, and can not dictate prices. But grain buyers long since ceased to sneer at the Canadian pool. They approach this co-op with respect, and its views as to price get prayerful consideration. It has bargaining power. About 18 months ago the New York Produce Exchange started dealing in wheat futures, with quite a flourish of trumpets. In a year trading had petered out and was substantially abandoned. Why? Because the operations of 'the silent but efficient Canadian Grain Pool' made it unprofitable! At such distances does the organized power of farmers make itself felt. Not primarily cheaper selling, more honest grading, cheaper insurance and storage (though these are only a few of the minor gains), but Equality in Bargaining, an equal voice in setting the price, is the profitable fruit of cooperative selling on a large scale."

Danish Agriculture The Countryman, Oxford, England, for January contains an article by its editor, J. W. Robertson Scott, on "A Prime Minister on his Farm." This says: "There were half a dozen things that struck me when, the year before last, at a farmhouse not far from Copenhagen, I enjoyed the hospitality of Mr. Madsen-Mygdal, an ex-Minister of Agriculture, who is now Prime Minister of Denmark: 1.--That here was a landed proprietor whose whole mind was in agriculture as is indeed common in Denmark.....2.--That, like so many other Danish farmers, Mr. Madsen-Mygdal had farm buildings so much more extensive in relation to the area of his farm than is usual with us. 3.--That he followed the excellent Danish custom of having in his house a certain number of working pupils (farmers' sons); that, busy farmer though he was, he gave them indoor tuition several times a week; and that, as on many Danish farms, most of the work was done by pupils....Many absurd things have been printed about Danish agriculture. The outstanding facts that there is no getting away from are, Mr. Madsen-Mygdal says, as follows: 1.--Much of the soil of Denmark is inferior, there is a seven-months' winter, and no special personal worth or technical ability can be claimed on behalf of Danish farmers. 2.--What Danish farmers are entitled to credit for is that, instead of trying to go on growing corn against countries more happily situated; they had the prescience to turn round and import, to the utmost limits of their resources, grain and other feeding stuffs, and set themselves to produce, by means of this imported food, butter, bacon and eggs of the highest quality.....3.--There are now in Denmark more cows per 100 inhabitants than in any country in the world.....4.--There is no country in the world where agricultural products of animal origin bulk so largely in the export trade.. ...5.--One of Denmark's advantages is that the land is wisely distributed (less than 3 per cent of the holdings are over 150 acres), that access to the land is easy, and that practically all farmers now work their own land.....6.--Thanks to the famous system of cooperative credit, loans are cheap. 7.--The fact that 120,000 small holdings have been established without Government assistance--contrary to some foreign beliefs--as against 15,000 set up with State help, is due to a thorough organization of cooperative purchase of requirements and cooperative sale of products, to cooperative creameries and factories (89 per cent of the farmers are members of cooperative creameries and 75 per cent of the bacon is cooperative), and to a system of instruction as a result of which small holdings could be worked profitably....."

Food Prices

The retail food index issued by the Bureau of Labor Statistics of the United States Department of Labor shows for December 15, 1927, a decrease of about one-third of 1 per cent since November 15, 1927; a decrease of a little more than 3 and a half per cent since December 15, 1926; and an increase of about 50 per cent since December 15, 1913. The index number (1913 = 100.0) was 161.8 in December, 1926; 156.5 in November, 1927; and 155.9 in December, 1927. During the month from November 15, 1927, to December 15, 1927, 16 articles on which monthly prices were secured decreased as follows: Pork chops, 10 per cent; strictly fresh eggs, 3 per cent; bacon, ham, lard, storage eggs, onions, prunes, and oranges, 2 per cent; bread, rice, baked beans, sugar, and raisins, 1 per cent; and leg of lamb and tea less than five-tenths of 1 per cent. Fifteen articles increased; Butter, 4 per cent; plate beef and cabbage, 3 per cent; rib roast and chuck roast, 2 per cent; sirloin steak, round steak, canned salmon, fresh milk, cheese, canned peas, coffee, and bananas, 1 per cent; and hens and vegetable lard substitute, less than five-tenths of 1 per cent. The following twelve articles showed no change in the month: Evaporated milk, oleomargarine, flour, cornmeal, rolled oats, cornflakes, wheat cereal, macaroni, navy beans, potatoes, canned corn, and canned tomatoes. During the month from November 15, 1927, to December 15, 1927, there was an increase in the average cost of food in 26 of the 51 cities. For the year period December 15, 1926, to December 15, 1927, 50 cities showed decreases.

Fruit Development in Minnesota

An editorial in The Farmer (St. Paul) for Jan. 14 says: "The fruit breeding farm, operated under the supervision of the University of Minnesota, recently achieved new honors in the shape of a silver medal awarded by the American Pomological Society for an exhibit of seedling apples. A similar award was authorized by the society because of the quality and yielding ability of the Latham raspberry, originated at the farm. These awards are noteworthy because they represent the highest honors given in America for fruit developed and research work along horticultural lines. The fruit breeding accomplishments of the University of Minnesota are nationally famous. Sometimes, right here at home, we fail to recognize the merit and value of this sort of investigational work. The general public has paid scant praise to the work and there has been difficulty at times in securing sufficient State funds to carry on the work. If the farm was operated as a commercial institution the public would soon discover the values involved. New types and varieties of fruit do not just happen. They are the result of years of painstaking study coupled with breeding operations on a comparatively large scale..... We have paid far too little attention to this work in the United States....."

Wool Marketing

An editorial in The (Ohio) Stockman and Farmer for Jan. 21 says: "Last spring when the fine wools of this territory could be cashed at 40¢ per pound we expressed the opinion that it was a fair price under then existing conditions and that it would move the wool. Most growers sold at 40 and 41 cents, but the market grew stronger and the last important sale of the year was at 43¢ straight. How much better was that, all things considered, than 40¢ six months or more earlier? Very little wool is still held by growers in this

region, but they have every reason for confidence in the price for 1928. The American wool market, which has been lagging as compared with the foreign market, is showing a tendency to get up to a world basis. Mill supplies are light, and the manufacturers are endeavoring to insure themselves a supply by contracting wool on the sheep's back in range territory. Last week it was estimated that 50,000,000 pounds had been so contracted. Purchases of foreign wool have been comparatively light thus far, but they may increase if the prices here continue to advance. Prospects for wool producers in 1928 are good, but no contracting for future delivery is in evidence in this territory."

Section 3
MARKET QUOTATIONS

Farm Products

Jan. 20: Livestock prices quoted: Steers, good and choice, Chicago, $14.50 to $18.50; cows, good and choice $8.75 to $11.50. Heifers, good and choice, $11.50 to $13.50. Vealers, good and choice, $13.00 to $15.50; heavyweight hogs, good to choice, $8.10 to $8.45; lights, medium to choice, $7.40 to $8.50; feeding lambs, medium to choice, $11.65 to $13.40.

Maine sacked Green Mountain potatoes sold at a range of $1.95-$2.35 per 100 pounds in eastern cities; mostly $1.60-$1.65 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.55 carlot sales in Chicago; $1.30-$1.35 f.o.b. Waupaca. New York Danish type cabbage ranged $9-$16 bulk per ton in terminal markets; $7-$7.50 f.o.b. Rochester. Florida pointed type $1.50-$2.25 per 1½-bushel hamper in the East. New York and midwestern yellow onions sold at $2-$2.65 sacked per 100 pounds in consuming centers; $2.20-$2.25 f.o.b. New York Baldwin apples brought $6.50 per barrel in New York City; Rhode Island Greenings $9. Michigan Baldwins $7-$8 in Chicago.

January future contracts on the New York Cotton Exchange declined 9 points to 18.72¢, and on the New Orleans Cotton Exchange they were down 2 points, closing at 18.50¢. On the Chicago Board of Trade January futures declined 7 points to 18.55¢. The average price of Middling spot cotton in 10 designated markets advanced 4 points to 18.57¢ per lb. On the same day last season the price stood at 12.96¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 47½ cents; 91 score, 47 cents; 90 score, 46 cents.

Wholesale prices of No. 1 fresh American cheese at New York were: Flats, 27 cents. Held cheese prices. Flats, 29 to 29½ cents; Single Daisies, 29 cents; Young Americas, 29 to 29½ cents. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XXVIII, No. 18 Section 1 January 23, 1928.

FARM LEGISLATION The press of Jan. 22 reports: "A determined drive by leaders of the House farm bloc to force consideration of bills proposing an upward revision of the tariff for the benefit of agriculture is under way...Representative Green of Iowa, chairman of the ways and means committee, which originates tariff legislation, indicated that he regarded any form of tariff revision as impracticable at this time, and he made it clear that, in his opinion, it would be difficult to limit revision, if it were undertaken, to the schedules against which the farmers complain. Sentiments of like character were expressed by Representative Madden of Illinois, another of the House leaders. It is understood, however, that the farm bloc managers will go ahead with their plans to revise the tariff and attempt by combination with the Democrats to force a bill or bills out of the ways and means committee if necessary...."

BOULDER DAM A Miami, Fla., dispatch Jan. 22 reports: "Construction of the Boulder Canyon Dam was indorsed by the Executive Council of the American Federation of Labor in session at Miami, Jan. 21. Control of the project by a Federal Power Commission 'to protect the interests of all the people' was favored...."

EDISON AND RUBBER A Fort Myers, Fla., dispatch to the press to-day states that Thomas A. Edison is now planning to send a party of botanists on a two-weeks' trip south of Fort Myers to an unexplored section of the Everglades in search of plants containing rubber. The party is due to leave early in February.

CANADIAN GRAIN EXPORT A Montreal dispatch Jan. 22 states that Germany was the best customer for grain shipped last season from Montreal, 48,496,258 bushels being destined to ports in that country of a total 183,443,271 bushels delivered to ocean-going steamers by the four harbor elevators. Great Britain was the second best customer, taking 38,644,486 bushels. Holland, in third place, took 33,554,497 bushels, while Italy came fourth with 19,301,344 bushels, all wheat, and Belgium fifth with 18,179,566 bushels.

RADIO FOR FRENCH AGRICULTURE A Paris dispatch to the press of Jan. 22 states that farmers in France have formed a Radio Agricultural Association. Reports of interest exclusively to farmers are transmitted from Paris every afternoon, and additions have been made to the daily weather report so that it may be of greater value to the farmers. Members pay an annual subscription of 40 cents.

Section 2

Air Transportation

An editorial in The Wall Street Journal for Jan. 21 says: "With a knowledge born of his leading part in the encouragement of air transportation in this country, Postmaster General New points out unerringly the obstacle to the commercial utilization of the airplane, which is lagging behind the technical development of the machine itself. The problem of aviation is that of adequate and correctly located landing places. The Postmaster General states the problem in a nutshell when he says that air carriage of mails between Washington and New York takes less than two hours, but that getting them to and from outlying landing fields doubles the total time consumed. Such a disability, of course, equally affects the use of the air for quick transport of passengers and express matter. No relief is to be expected from improvement in local highway conditions, which are certain to get a great deal worse before they become even a little better. At the present time all air transport other than naval and military is in much the position that the railroads would be in if their lines ended on the remote outskirts of the cities they were built to serve. The Postmaster General boldly but correctly declares that airway terminals must be brought into the heart of each city. In most instances this will mean that landing surfaces must be provided on the roofs of buildings of one kind or another....If the Post Office Department could bring about a joint inquiry with the railroads into the possibilities of developing air terminals over railroad yards, its initiative in that direction would be consistent with its creditable part in aviation since the war left the airplane industry flat on its back. Mail planes are now flying an aggregate of 17,000 miles a day and will soon be making 25,000 miles every twenty-four hours. The postal service has done for aviation what no other agency was able or willing to do, before private capital was ready to take it up in a large way. Its leadership is still appropriate."

American Wealth

Andrew W. Mellon, Secretary of the Treasury, writing in The World's Work for February, says: "The danger that America faces is not so much from the amount of her wealth as from the use that she makes of it. So far her surplus earnings have largely gone back into production. They have been used to build railroads, to clear farm land, to buy new and improved machinery, to pay for higher wages and more efficient labor, to make possible better methods of advertising and distribution. As a result, there has been built up in this country an economic and industrial organization under which we have achieved not only a vast amount of wealth but a distribution of it that is unprecedented, and a standard of living that is the best justification, if any is needed, of the American system. But this very distribution of wealth contains an element of danger. So many people are able to buy what they want, within reasonable limits, that a man is constantly faced with the temptation to live beyond his means in an effort to keep up with the pace that his neighbors have set....New inventions and increasing wealth have inevitably brought about changes, and with these changes has come a restlessness that is always to be found when prosperity has not been assimilated and the spending of money becomes an objective in itself rather than a means of accomplishing some useful end...."

Cotton-Textile Institute — The accomplishments of the Cotton-Textile Institute are reviewed in Business for February by Bernard G. Priestley, who says in part: "The cotton-textile industry has a new lease on life. About a year and a half ago, besieged with a complicacy of ills, internal and external, the industry reached the conclusion to call in Dr. Cooperation. The doctor pointed out that many of the ailments really dated back to failure of the industry's faculties to adapt themselves quickly to pronounced changes and failure to work in full cooperation. As a tonic the doctor prescribed the establishment of what became known as the Cotton-Textile Institute, Incorporated. To-day leaders in the industry say that the new institute has helped work a remarkable change. It has done much to promote coordination and in many ways has helped the industry to help itself....The institute is founded along the lines of successful trade organizations in other large industries. ...Perhaps the greatest accomplishment of the institute so far is the establishment of itself as an authoritative organization representing the entire industry. Never in the history of textile manufacturing in this country has any previous agency succeeded in coordinating the manufacturing branch of the entire industry in a single organization."

Dairy Industries Exposition — Announcement is made that the third Dairy Industries Exposition will be held in Cleveland, O., during the week of October 15, 1928. The announcement also states that the annual conventions of the International Association of Milk Dealers and the International Association of Ice Cream Manufacturers will be held in that city in connection with the exposition. (Butter, Cheese and Egg Jour., Jan.18.)

Iron and Steel Production — World production of pig iron is estimated to have been 8% higher in 1927 than in 1926, and about the same percentage higher than in 1913, the total for 1927 being approximately 84,070,000 tons, as compared with 77,740,000 in 1926 and 77,900,000 in 1913. The production of the United Kingdom at 7,250,000 for the year was 30% less than the 1913 production, but European production as a whole was about 13% greater than in 1913. With the exception of the United States, pig iron production in all other producing countries increased in the year 1927 over 1926, according to advices received by Bankers Trust Company of New York from its British information service. The estimated production of steel throughout the world during 1927 was 98,720,000 tons, an increase of some 7,000,000 tons over 1926 and more than 23,500,000 tons greater than in 1913. Outside of the United States production increased by 10,900,000 tons in 1927, to which Great Britain contributed 5,450,000 tons, owing to the accumulation of demand due to the coal strike of 1926.

London Wool Sales — A London dispatch Jan. 21 states that at the wool sales there Jan. 20 8,056 bales were offered, of which 7,000 were sold. The sale was quieter, prices showing a somewhat easier tendency. German operators were prominent among merinos. Medium greasy crossbreds were active and firm, several parcels being purchased for America.

Popular Government — Chief Justice Taft, writing under the title, "The Republic is on Trial," in The World's Work for February, says: "It isn't true that we have solved completely and satisfactorily the question of efficient popular government. Our people have to receive some very

serious lessons on that subject. The lessons are to be learned only by sad experience, and those experiences we must profit by. The republics and popular government are on trial. The enemies of popular government can point to a great many things to show its failure.... What we need to do in this greatest example of a republic is to use the forces we have to demonstrate that we have within use the means of bettering our Government. If we can develop a class of educated men with nothing else to do but to better government, we ought to use them; and we ought to use them by having the profession of the politician recogniged as essential to the welfare of the Republic...."

Sequoia Forest Monarch — A Sacramento, Calif., dispatch Jan. 21 says: "A tree containing enough lumber to build twenty-two homes of average size to-day was officially recognized as a contender for the title of monarch of California forests. The State Department of Natural Resources announced the giant sequoia near Grannell, Humboldt County, was 308 feet high, 30 feet in diameter and contained 361,366 board feet of merchantable timber. California's other noted trees include the 'General Grant,' in General Grant National Park, 264 feet high and 35 feet in diameter, and the 'General Sherman,' in Sequoia National Park, 280 feet high and 36 feet in diameter. These trees are said to contain more than 200,000 board feet of lumber each."

Trade Relations — An editorial in The Rural New-Yorker for Jan. 21 says: "Farm products are being shipped into the United States and sold in competition with the products of American farms to pay for manufactured goods exported out of the country and sold abroad. The rule is that a country can export only about the same value of commodities that it imports. Something must come in to pay for what goes out. When we have large balances due us for interest and repayment of loans, as we have now, these payments must also be made in commodities and the payments reduce our volume of exports. Now to pay our balances abroad including interest, principal and trade, the manufacturers naturally wish that the imports be made in farm products, but it will serve farmers best if the imports are made in manufactured goods. There is clearly a conflict of interest here between these two general classes, and, as we might expect, it is working out against the farmer. Statistics are not as full or clear as they should be, but they show that exports of agricultural products are decreasing while imports of agricultural products are increasing. Some 900 farm products are imported, and 300 of them are free of duty. Aside from free imports farm products coming in paid 49 per cent of all the import tax. The imports of free agricultural products have increased 78 per cent since 1922. On the other hand in five years total exports of all goods have increased 32 per cent, while exports of agricultural products have increased only 3 per cent. Of course this is regulated by the schedule of duties. Why do not some of the farm relief proponents begin right here, and fix these schedules to give agriculture, where it is easy, a fair share of the protection?"

Women's Work — Of 8,500,000 American women who go to work every day, 2,000,000 are combining career and family, Dean Virginia C. Gildersleeve of Barnard College said yesterday, The Associated Press reports. Many of these, she said, have linked successful careers with motherhood, and many affirm that the more children in the family the

easier is the mother's task of happily combining the two. "It is a perplexing problem American women are trying to solve," she said, "of trying to dovetail career and family. The sympathetic cooperation of her husband is one of the most important factors in the successful combination." A survey of occupations in which women are engaged, she said, showed that 635,000 are school teachers, 564,000 office workers, 140,000 nurses, 13,000 librarians, 10,000 college presidents and professors, 9,000 physicians and 9,000 writers. "In the future," she predicted, "for economic and psychological reasons, it will be increasingly usual for the woman to have husband, children, a home and a career outside the home."

Section 3

MARKET QUOTATIONS

Farm Products For the week ended Jan. 21. Maine sacked Green Mountain potatoes $1.95-$2.25 per 100 pounds in eastern cities; $1.65-$1.70 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.55 carlot sales in Chicago; $1.35-$1.40 f.o.b. Waupaca. New York and midwestern yellow onions $2.25-$2.65 sacked per 100 pounds in consuming centers; $2.20-$2.25 f.o.b. New York Danish type cabbage $9-$16 bulk per ton in terminal markets; $7-$8 f.o.b. Rochester. Florida pointed type $1.50-$2 per 1½-bushel hamper in the East. New York Baldwin apples $6-$6.50 per barrel in New York City; $7-$8 in Chicago.

Closing price of 92 score butter at New York was 47½¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

Average price of Middling spot cotton in 10 designated markets declined 19 points, closing at 18.38¢ per lb. January future contracts on the New York Cotton Exchange declined 17 points to 18.55¢, and on the New Orleans Cotton Exchange they were down 16 points, closing at 18.34¢.

Livestock quotations at Chicago on slaughter steers $14.50-$18.50; cows, good and choice, $8.75-$11.50; heifers, $11.50-$13.50; vealers, $13-$15.50. feeder and stocker steers, $10.50-$12.50; hogs, heavy weight, $8.10-$8.40; Light lights, $7.40-$8.45; slaughter pigs, $6.75-$8.15; slaughter lambs, $13.15-$14; feeding lambs $11.65-$13.40.

Grain prices quoted: No.2 red winter Chicago $1.44; Kansas City $1.44-$1.48. No. 2 hard winter Chicago, $1.31, Kansas City $1.27½-$1.29½; No.3 mixed corn Chicago 89¢; Kansas City 78-79½¢; No.3 yellow corn Chicago 91¢-93¢; Kansas City 80½¢-82¢. No.3 white oats Chicago 54¾¢-56¢; Kansas City 55¢-57¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVIII, No. 19 Section 1 January 24, 1928.

GRANGE PROPOSES FARM EXPORT BILL Enactment of an export debenture bill as a substitute for the McNary-Haugen farm relief proposal is favored by the National Grange. Announcement that a debenture bill which would have the Grange's support would be introduced shortly in Congress was made last night by L.J.Taber, master of that farm organization. In a statement the Grange officials said: "The export debenture plan is an arrangement whereby exporters of certain agricultural products receive from the Treasury Department certificates having a face value established by Congress and intended to represent the difference in costs of production here and abroad, such certificates being negotiable and good for their face value in the payment of import tariffs of any articles later imported. The farmer, cooperative organization or commercial exporter may not desire to import directly, but the certificates would be readily negotiable to American importers at a slight discount...."(A.P., Jan.24)

AGRICULTURAL ECONOMICS GIFT The Associated Press reports to-day from San Francisco that A.P.Giannini, born fifty-seven years ago in a humble rooming house in San Jose, Calif., of poor Italian parents, yesterday placed his 1927 income as president of the Bancitaly Corporation at the disposal of the University of California. The sum was $1,500,000. Under the terms of the gift, $1,000,000 will go toward the establishment of the Giannini Foundation of Agricultural Economics and $500,000 will be used for erection of a building on the University campus in Berkeley, dedicated to ways and means of improving the economic condition of farmers, dairy and livestock men and fruit growers in California.

COSGRAVE ON IRISH CONDITIONS William T. Cosgrave, President of the Irish Free State, said yesterday to press representatives at Washington that Ireland was making great progress in an industrial way and that its financial system was stable and promised to become stronger. He said that the cost of Government was about 23,000,000 pounds sterling, which compared favorably per capita with the United States. The Irish Free State credit is good, he said, its budget was balanced and taxes had been reduced 50 per cent under the Irish Home Government rule. The prevailing tax rate was sufficient, he asserted, to provide the central Government with funds to finance hospital, road services, most of the police system and all the functions of Government. President Cosgrave said he regards the protective tariff, applied to about 50 per cent of all imports, necessary to maintain the general level of prosperity for Ireland. The custom barrier was effective on all frontiers and administered entirely by Government Civil Service. Measures recently taken by the Dublin Government to foster civic aviation were pointed to by President Cosgrave as further evidence of Ireland's progress.

Section 2

American Prosperity

Frederick Palmer, writing in World's Work for February, says: "Our standard of living as a whole is the highest we ourselves have known and it is higher than any nation in history ever had. We are in the unprecedented position of a creditor nation by thirty times the world's annual gold production, and we have vast natural resources as a source of still greater wealth. We grow more food than we can consume. We have $9,500,000,000 in savings banks. Our 11,000 millionaires form an army larger than Washington had at Monmouth. The mileage of luxury shops in our cities increases. The cry is not for cheaper bread, but for cheaper gasoline. We have 22,000,000 of the world's 25,000,000 automobiles. We have more telephones and radio sets than all the rest of the world. Our tourists annually spend $650,000,000 abroad. A single item in our charges for entertainment makes the motion picture industry fourth in income....We have 800,000 college students, but the outpouring of huge endowments is not enough to supply facilities for all the youth who would go to college. Such is a partial picture of the modern America, with its large share of the world's riches but only one fourteenth of the world's population...."

Corn Borer Control

An editorial in Price Current-Grain Reporter for Jan. 18 says: "Congress is being asked to appropriate $10,000,000 for this year's fight against the European corn borer, and this appeal is being advocated by farm organizations, bankers, grain dealers and many others. Our understanding of the matter is that definite limits are to be placed upon the ways in which the money is to be spent and that while all of the above sum may not be needed, the most of it will be, and as was the case last year, some of it may not be used. We assume that those who are leading the fight have made rather close estimates as to the actual need and that they feel that ten million dollars is the correct figure....Professor Christie of Purdue University says it will all be needed, a very substantial part of it being used for research work. He also says that he personally does not profit a penny from the work he is doing and that things would be much easier for him if the borer fight was stopped. The total of ten million dollars is relatively small compared with what is being spent by the National Government in many other ways and the additional burden upon the average citizen would be small....We may eventually exterminate the pest, but we do not yet know how that may be done. In the meantime, learning how to live with it and to grow corn in spite of it is very essential. We can not go on indefinitely and in an ever widening area paying the farmer for cleaning up his fields."

Deflation Costs

An editorial in The Journal of Commerce for Jan. 23 says: "During the past five or six years there has been a steady downward trend in most wholesale prices. Taken as an average, the change has not been great, at least during the two years or so past. This average condition, however, has been coincident with great fluctuations in different branches. Agricultural prices have, fortunately, been raised. Some raw materials, such as rubber, have equally unfortunately followed an upward trend. Manufactured articles have varied a great deal. The fact, however, that on the whole there was a downward movement, especially in highly competitive industries, has

necessarily resulted in a narrowing margin of business profits. Such a narrowing always accompanies a recession of prices and while our recession on the whole has been slow and reasonable, it has been enough to make hard times for a good many concerns....Our business and laboring community is gradually absorbing and distributing the costs of restoring a conservative basis for prices consequent upon the war inflation. Eventually the same kind of process will be necessary in the investment field."

Economic Waste Alfred James Lotka is the author of an article entitled "The Leaven and the Lump" in Forum for February. He says in part: "Suppose a census were made of all the useless and worse than useless work that is going on all around us, paid for in good money; would not much of our busy coming and going, our serious intent on practical pursuits, be made to look childish and silly? This is not a mere rhetorical question. A census of this kind has actually been made by Stuart Chase in his Tragedy of Waste. He finds that the equivalent of at least eight million workers are constantly employed in the production of positively harmful 'commodities of illth,' as he terms them, in contrast to wealth. The total waste of labor, through idleness and inefficient methods, added to the items of illth, he estimates at 20,000,000 man power, or not less than one-half of the actual man power of the country as a whole....How then is the readjustment of popular sentiment, the refining of our sense of values, the return to something of the Greek ideal, to be achieved? First, by spreading knowledge of the incalculable value of philosophical pursuits, of scientific inquiry conducted for its own sake....But there is no occasion to exhaust ourselves in self-reproach. Real progress is being made. A 'National Research Endowment' has been established, with the purpose of raising a fund--the sum of $50,000,000 has been mentioned--for the support of investigation in pure science, or, as some prefer to call it, in fundamental science. With resources so provided, we may hope that at least the material conditions favorable to fruitful research may be more abundantly established and that America, so largely the creditor of other nations in concrete wealth, may presently achieve, in the domain of abstract values also, her place of honor among the peoples of the earth."

Farm Land Investments An editorial in The (Indiana) Farmer's Guide for Jan. 21 says: "We were privileged to read a recent letter from a stockholder to the president of a big life insurance company. One paragraph seemed to us so significant in its bearing upon the farm situation that we asked permission to reproduce it: 'I have tried to play safe by investing in bonds any surplus above taxes and reasonable expenses, that has come to me. It now seems to me that good real estate at present prices, at which it is selling at forced sales, will pay much better within the next five years and be just as safe as United States bonds. Good land is going at $40 to $60 without buildings and at $50 to $90 with improvements.' This coming from a man who is studying the investment markets, who did not express himself for public perusal and directed to the president of a company that has many thousands of dollars loaned on farm lands, should at least be of interest to those farmers who have all but lost faith in their occupation. It may help them to take heart."

Fruit and Bread Advertising

An editorial in The Northwestern Miller for Jan. 18 says: "In twenty years of consistent advertising of citrus fruits, California growers have spent approximately nine million dollars. The cost of last year's campaign of the California Fruit Growers' Exchange averaged one cent per year per consumer reached, and represented a trifle less than two fifths of a cent per dozen on all 'Sunkist' fruits marketed. The percentage of increase in the consumption of oranges and grapefruit in the past fifteen years was five times as great as the percentage of increase in the country's population. In the same period the consumption of flour has decreased approximately one bushel per person. The comparable result is that, while the citrus fruit industry has secured an increased percentage of the consumer's dollar, expanded its volume and augmented its profits, the milling industry has endeavored to overcome the evils of declining consumption by efforts to force the market to take more flour than it can consume. Barely twenty-five years ago a loaf of bread was a loaf of bread and an orange was a luxury, chiefly associated with Christmas. To-day a loaf of bread continues to be a loaf of bread, but the orange has stepped up even with it and claimed place as its peer on the tables of all but the very poor. How much of this change would have come about without any effort in behalf of oranges can not, of course, be measured. Dietary changes have resulted largely from increased income and a higher standard of living. Yet it is to be noted that those foods have gained most which have had greatest group effort back of them, and those have lost most which have done least for their own cause...."

Radio University Urged

The New York Times Jan. 22 says: "A university of the air was proposed Jan. 21 in an experimental hour of broadcasting sponsored by the National Broadcasting Company and the Radio Corporation of America, with Walter Damrosch illustrating the idea by a musical lecture. Before the broadcasting began, the project was explained by M.H.Aylesworth, president of the National Broadcasting Company, to about 300 members of the Schoolmasters' Association of New York and Vicinity in one of the company's studios at New York. Mr.Aylesworth said that the idea grew out of Doctor Damrosch's dream of sending music and musical instruction to children, teachers and parents all over the country. First, he explained, schools must be equipped with receiving sets so that, at scheduled hours, pupils may gather to listen to the programs. He expressed the hope that sufficient schools would be equipped to permit the inauguration of regular courses next season. But Mr. Aylesworth does not see the University of the Air devoted exclusively to music. 'We begin with music,' he said, 'but we want to follow with science. I can now hear the voices of Milliken, Michelson, Max Mason, Pupin and many others talking, not to the four walls, but into all the schools and colleges of the country....'"

Section 3

Department of Agriculture

In an editorial on the Weather Bureau, The New York Times for Jan. 23 says: "....It is gratifying to know that servants of the people in the Weather Bureau are sometimes not without honor in their own country. There is the case of Dr. Isaac M. Cline of the New Orleans station, a gentleman gray in service, to whom the commercial organizations of New Orleans have just presented a silver amphora in recognition of the fact that his work during the Mississippi floods

saved a great many lives and prevented the loss of property upon which no value could be set....Always regarded as a scientific and dependable forecaster, he rose to the emergency and, sacrificing his strength, gave himself unselfishly to humanity in the catastrophe of the floods."

Section 4
MARKET QUOTATIONS

Farm Products Jan. 23: Livestock quotations at Chicago on slaughter steers, $14.50-$18.50. Cows, good and choice, $8.75-$11.50. Heifers, $11.65-$13.50; vealers, $12.75-$15.50; feeder and stocker steers, $10.50-$12.50; heavy weight hogs, $8.10-$8.35; light lights, $7.40-$8.40; slaughter pigs, $6.75-$8; slaughter lambs $13.25-$14.15; feeding lambs $11.65-$13.40.

Maine sacked Green Mountain potatoes $2.05-$2.35 per 100 pounds in eastern cities; $1.70-$1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.55 carlot sales in Chicago; $1.30-$1.40 f.o.b. Waupaca. New York and midwestern yellow onions $2.25-$2.75 sacked per 100 pounds in consuming centers; $2.25-$2.30 f.o.b. shipping points. Florida pointed type cabbage $1.50-$2.10 per 1½ bushel hamper in a few eastern cities. Texas round type $2.50-$3 per barrel crate in leading markets. New York Danish type $9-$16 bulk per ton in terminal markets; $7-$7.50 f.o.b. Rochester. New York Baldwin apples $6-$6.75 per barrel in New York City; cold storage stock $6.25 f.o.b. Rochester.

Closing price of 92 score butter at New York was 47½¢;

Closing prices of No.1 fresh American cheese at New York were: Flats 26½-27¢; Flats on held cheese prices 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

Average price of Middling spot cotton in 10 designated markets declined 24 points to 18.14¢ per lb. On the same day last year the price stood at 13.03¢. January future contracts on the New York Cotton Exchange declined 20 points to 18.35¢, and on the New Orleans Cotton Exchange they were down 29 points, closing at 18.05¢. On the Chicago Board of Trade January future contracts declined 32 points to 18.13¢.

Grain prices quoted: No.2 red winter wheat at Chicago $1.41½; Kansas City $1.44-$1.48. No.2 hard winter at Chicago $1.31¼; Kansas City $1.27½-$1.29½. No.3 mixed corn at Chicago 86-87¢; Minneapolis 80¢-82¢; Kansas City 77-79½¢. No.3 yellow corn at Chicago 90-92½¢; Minneapolis 84-86¢; Kansas City 80-82¢. No.3 white oats 54½-56½¢; Minneapolis 51 5/8-53 5/8¢; Kansas City 55-57¢. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXVIII, No. 20 Section 1 January 25, 1928.

FARM TARIFF BILL Another farm relief bill proposing an upward revision of tariff rates on dairy and other agricultural products was introduced in the House yesterday. It was sponsored by Representative Fish of New York. "The time has come," Congressman Fish said, "when agricultural products should be given the same amount of protection as other industries. Farmers of both East and West have to buy in a protective market and sell in competition with the world. The remedy is not in a downward revision, but in affording adequate protection on what farmers produce; they are entitled to the same considerations as other protected industries--no more or no less..." (Press, Jan. 25.)

WORK ON FARM COLONIES Secretary of the Interior Work spoke in support of the bill before Congress to appropriate $10,000,000 for the establishment of model farming colonies in Southern States at Washington last night. Secretary Work said that the colonies would unquestionably promote better farming and marketing methods, and consequently improve living conditions in the Southern States. (Press, Jan. 25.)

CHICAGO RAISES RESERVE RATE A Chicago dispatch to-day reports that the Federal Reserve Bank of Chicago late yesterday announced a rediscount rate of 4 per cent on all classes of paper of all maturities, effective to-day. This is an advance from 3½ per cent This increase was interpreted in financial circles as part of an effort to check speculative activity in the stock market, which has caused a large increase in brokers' loans. The report says: "The news was given out after the stock market closed. The rate advance is in line with the policy of the Federal Reserve Board to strengthen the money market, which it had sought to do by the sale of Government securities and bills of exchange...."

A New York dispatch says: "The action of the Federal Reserve Bank of Chicago in increasing its rediscount rate from 3½ to 4 per cent on all classes of paper of all maturities, effective Jan. 25, should not be taken as an indication that a similar increase will be made shortly in the rate of the New York Reserve Bank....If other changes are to come in the near future, it is understood, they probably will be in the Middle Western and Southwestern Reserve banks such as those at Minneapolis, St. Louis, Kansas City and Dallas....The attitude now assumed by the board in permitting the Chicago bank to make an increase is accepted as abandonment of the policy that it is best for the general economic position of the country that Reserve banks in all districts should have identical rates, and agreement that the individual directorates should make their own decisions...."

COTTON AREA A New Orleans dispatch to-day reports that while most traders appear to believe that there will be some increase in cotton acreage, no one cares to venture an opinion at this early date on the percentage of increase.

Section 2

Farm Implement Engineering — The modern needs of the modern farm are calling into play to an increasing extent technical engineering skill in the designing of agricultural implements and other machinery....This is brought out in the course of an address before the annual meeting of the Mid-West Shippers' Advisory Board by H.F.Perkins, vice-president of the International Harvester Co., in which he said: "The implement industry is in the middle of a gradual revolution as to its products and methods of manufacture. Development and introduction of power-drawn or power-driven farm machinery, to take the place of ground-driven and animal drawn implements, is the occasion for this change. An important adjunct to this situation is the creation of new lines of implements relating to the handling of grain crops and cotton. Necessarily these great changes demand of the implement industry increasingly able and enlarged engineering staffs, heavy capital expenditures for equipment and construction adapted to the new designs, and more technically trained and skilled sales organization." (The Economist, Jan. 21.)

Farm Purchasing Power — An editorial in The Wall St. Journal for Jan. 24 says: "Value of agricultural production in 1927 is $13,185,000,000, compared with $12,985,000,000 in 1926. As the nonagricultural commodity index is lower than a year ago, farm purchasing power is considerably larger than in the preceding season....Farm income suffered an abrupt decline in the post-war deflation period. It reached the bottom between 1920 and 1921. The trend of crop values since, with some fluctuations, has been upward, while the real purchasing power of the farm has slowly but steadily increased. It has not yet reached parity with the general price index, but it is steadily going upward. The Corn Belt farm dailies calls attention to the fact that the farmers of the country have adopted a new standard of living. This is obvious, but is not generally thought of. It is, however, worth noting, for it means that the farms will afford a broader market in the future. Farm families now are calling for homes with modern improvements, including electricity. Naturally, also, as their purchasing power increases they spend more for radios, furniture, automobiles, and a more extensive equipment of farm machinery to relieve them from the drudgery of farm work. No one can say that this is not a healthy situation. It is well, indeed, that the farm families enjoy a better standard of living and that it can be going upward as purchasing power increases...This increase, then, in the purchasing power of the farms is one of the best auguries of business for the future."

Florida Business Men and Agriculture — An editorial in Florida Times-Union for Jan. 20 says: "It is worth while to note briefly what the Florida State Chamber of Commerce proposes to do in the immediate future, beginning right now, in certain matters of prime importance to the agricultural industry of the State. A very competent agricultural committee considered carefully the many things that the State chamber might undertake to do in the matter of agricultural development and selected those things deemed most vital at this time and made recommendations accordingly....First on the list is the citrus industry, a committee being appointed to cooperate with citrus fruit growers and shippers to work out and put into effect plans whereby this great State industry may be properly and effectively stabilized and made more prosperous, with elimination of evils and the substitution of better business methods and the adoption of whatever plans that are deemed most practical for the getting

out of the citrus industry millions of dollars that now are lost. Incident to the promotion of the citrus industry, or, more properly, its welfare, it was recommended, and adopted, that the protective tariff principle should be made to apply more practically to citrus fruits, with the purpose of protecting from foreign demoralization, all those interests in any way and manner connected with the Florida citrus industry, from growers to consumers. Further quarantine protection also was included in the work plans for the coming year. Cooperation in research and extension work is another matter securing the approval of the Florida State Chamber of Commerce. Foreign trade development also is to be undertaken. The chamber's agricultural reclamation committee is 'urged to press in every way for the adoption of the program agreed upon' by a recent conference in which seven southern States participated. In a summary of activities heretofore entered upon, and which are to be continued, are included attention to the livestock industry of the State, standardization of agricultural development projects, experimental farms, education, reforestation, legislation, and other relevant matters, all of very great importance in the agricultural development and progress of the State...."

Food Consumption An editorial in The Progressive Farmer for Jan. 21 says: "A very noticeable change is taking place all over the United States in the kind of food consumed. Our eating habits do not change suddenly, but that they are gradually changing is clearly evident when we study figures with reference to food consumption. Records show that in the United States flour consumed per person has decreased 21 per cent in the last twenty-one years. Meat consumed has also decreased. Figures show that in 1900 there was .89 head of cattle for each person, and now, twenty-seven years later, only .49 head per person. To offset the decline in consumption of flour and meat, milk, butter and other dairy products have had an outstanding increase. In New York City, the amount of milk consumed was 12 per cent greater in 1926 than in 1923, and it is estimated that in New Orleans milk consumption has increased 150 per cent in the last five years. The quantity of sugar used per person has also greatly increased, having jumped from 79 pounds in 1909 to 116 pounds in 1925. And everywhere, from one side of the country to the other, there has been a most noticeable increase in the consumption of vegetables, fruits, poultry, and eggs. These are facts that need to be kept in mind, because we must fit our production to market demands so far as we can....We don't want to change our production too suddenly, but the trend of consumption of food products is clearly toward more fruits, vegetables, dairy products, and poultry products, and, in a general way, we should arrange our production accordingly."

Land O'Lakes Creamery An editorial in The Wisconsin Farmer for Jan. 19 says: "Through the courtesy of one of the directors of the Land O' Lakes Creameries, Inc., Minneapolis, Minn., we are able to give preliminary figures showing the volume of business transacted by that big creamery organization in 1927. Their total business for 1927 represented a gain of $7,000,000 over that of 1926. It amounted to the sum of $46,315,079.72, as the total volume of butter, eggs, machinery and supplies handled through the central agency run by farmers of the Northwest. The 1926 business was $39,851,655....This means that Land O' Lakes is assuming major importance in the butter world. With this growing size and complexity come enhanced problems and stiffer opposition from other competing interests....."

Living Expenses Striking diversities in the habits of American cities are revealed by the experimental censuses of distribution analyses of which have been made by the Department of Domestic Distribution of the Chamber of Commerce of the United States. Of five cities for which returns have been compiled--Syracuse, Atlanta, Baltimore, Denver and Seattle--Baltimore and Seattle spend most for food, but they spend it in different ways. Baltimore and Atlanta devote nearly half of their food budget to the purchase of groceries but only 11.11 per cent in the case of Baltimore and 12.66 per cent of it in the case of Atlanta goes for meals. Denver, Syracuse and Seattle devote well over 20 per cent to the purchase of meals, indicating that the habit of "eating out" is much more prevalent than in the southern cities. Baltimore spends proportionately more than twice as much as Atlanta and Denver and considerably more than Kansas City and Syracuse on custom tailors. Of the clothing budget, Syracuse spends 21.91 per cent on women's outerwear; Baltimore, 20.89 per cent; Atlanta, 16.69 per cent; Denver, 21.49 per cent, and Seattle, 19.22 per cent.

Master Farmers in Indiana An editorial in The Prairie Farmer for Jan. 21 says: "Nine outstanding Indiana farmers were awarded the title of Master Farmer and presented with medals at Prairie Farmer's second annual Indiana Master Farmer banquet at LaFayette Friday evening of last week. The Master Farmer movement is growing in importance. It is proving to be an inspiration to farm folks, and especially to the young folks on the farm, and it is demonstrating to the public at large that there is such a thing as real achievement on the farm...."

"Presidential Year" Effects It is a tradition to look upon a Presidential year, like 1928, as containing something of a threat to business, and several financial commentators have been trying to look into this tradition and find out whether there is any justification for it. Let us say at the very outset that most of them find it an unjustified and outworn superstition. Outside of the fact that uncertainty is always detrimental to business, and an election naturally involves an element of uncertainty, The Bache Review, organ of a New York banking and brokerage house, can see no reason for worry, although it adds that in estimating the course of economic progress we must all bear in mind that important elections will take place during the year in France, Germany, and the United States. Business men in general, notes The Brookmire Forecaster, published by the Brookmire Economic Service, take three attitudes toward the traditional election-year recession in business activity. Some, we are told, will regard it as unavoidable, and will govern themselves accordingly, "others will convince themselves that the whole thing is a baseless myth; the most clear thinkers of all will be those who realize that such tradition always has some basis of fact." The general conclusion is reached that there is likely to be a depressing influence on business in a close campaign in which the two great parties are divided over a basic economic issue and that the very fear of a business reaction sometimes seems to bring about its own fulfillment, which would be otherwise unwarranted. (Literary Digest, Jan. 21.)

Wool Prices The Commercial Bulletin (Boston) for Jan. 21 says: "There has been a further advance during the week in wool prices, which are about five cents clean above two weeks ago. Manufacturers are buying a bit less keenly, but there has been a good speculative movement on the Street. Western contracting has been steady, and prices are in favor of the seller. Foreign markets are a bit dearer, especially on the better merinos. England and America are operating more keenly, especially in Australasia. London is slightly against the buyer on merinos. The manufacturing position is hardly changed and a bit quieter at the moment."

Section 3
MARKET QUOTATIONS

Farm Products Jan. 24: Livestock quotations at Chicago: slaughter steers $14.50-$18.50; cows, $8.75-$11.50; heifers, $11.65-$13.50; vealers, $13-$16; feeder and stocker steers, $10.75-$12.75; heavy weight hogs, $8-$8.25; slaughter pigs, $6.75-$7.75; slaughter lambs, $13.50-$14.35; feeding lambs, $12-$13.65.

Maine sacked Green Mountain potatoes $2.05-$2.25 per 100 pounds in eastern markets; $1.75 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.45-$1.55 carlot sales in Chicago; $1.35-$1.40 f.o.b. Waupaca. Texas round cabbage $2.25-$3 per barrel crate in terminal markets. Florida pointed type $1.25-$2 per 1½ bushel hamper in eastern cities. New York Danish type $9-$16 bulk per ton in leading markets; $7-$8 f.o.b. Rochester. New York & midwestern sacked yellow onions mostly $2.25-$2.65 per 100 pounds in consuming centers; $2.25-$2.30 f.o.b. New York Baldwin apples mostly $6.50 per barrel in New York City; Pennsylvania Yorks $6.75. New York and Michigan Baldwins $7-$8 in Chicago.

Closing price of 92 score butter at New York was 47¢.

Closing prices of No.1 fresh American cheese at New York were: Flats 29-29½¢; Single Daisies 29¢; Young Americas 29-29½¢.

The average price of Middling spot cotton in 10 designated markets declined 23 points to 17.91¢ per lb. On the same day last season the price stood at 12.98¢. January future contracts on the New York Cotton Exchange declined 18 points to 18.17¢ and on the New Orleans Cotton Exchange they were down 30 points to 17.75¢. On the Chicago Board of Trade January futures declined 20 points, closing at 17.93¢.

Grain prices quoted: No.1 dark northern spring wheat at Minneapolis $1.57 1/8-$1.63 1/8; No.2 red winter at Chicago $1.41½; Kansas City $1.44-$1.48. No.2 hard winter, Chicago $1.31; Kansas City $1.27-$1.29. No.3 mixed corn, Chicago 86-87¢; Minneapolis 80-82¢; Kansas City 78½-81¢. No.3 yellow corn, Chicago 87½-90¢; Minneapolis 84-86¢; Kansas City 80½-83½¢; No.3 white oats Chicago, 54½-57¼¢; Minneapolis 51 5/8-53 5/8¢; Kansas City 55-57¢. (Prepared by Bu. of Agr. Econ.)

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